



951 Martin Luther King Boulevard, Kissimmee, FL

[www.tohowater.com](http://www.tohowater.com) 407.944.5000

## **AGENDA**

### **WEDNESDAY, SEPTEMBER 14, 2016**

Bruce R. Van Meter  
Chair

Clarence L. Thacker  
Vice Chair

Thomas White  
Secretary

LeRue "Skip" Stellfox  
Supervisor #6

Wendell McKinnon  
Supervisor #1

John A. Lambert  
Supervisor #4

Brian L. Wheeler  
Executive Director

Michael W. Sweeney  
Deputy Executive Director

Mark G. Lawson  
General Counsel

Nilsa C. Diaz  
Executive Assistant

1. Meeting called to order
2.
  - A. Moment of Silent Reflection
  - B. Pledge of Allegiance
3. Approval of the Agenda
4. Awards and Presentations
5. Public Hearing:
  - 5A. PUBLIC HEARING FOR FEE & RATE CHANGES – RESOLUTION 2016-008
  - 5B. PUBLIC HEARING FOR FEE & RATE CHANGES – RESOLUTION 2016-009
  - 5C. PUBLIC HEARING FOR FEE CHANGES – RESOLUTION 2016-010
  - 5D. PUBLIC HEARING FOR SYSTEM DEVELOPMENT CHARGE CHANGES – RESOLUTION 2016-011
6. Hear the Audience
7. Consent Agenda

The Consent Agenda is a technique designed to expedite handling of routine and miscellaneous business of the Board of Supervisors. The Board of Supervisors in one motion may adopt the entire Agenda. The motion for adoption is non-debatable and must receive unanimous approval. By request of any individual member, any item may be removed from the Consent Agenda and placed upon the Regular Agenda for debate.

- 7A. REQUEST APPROVAL OF THE TWA BOARD OF SUPERVISOR REGULAR MEETING MINUTES OF AUGUST 24, 2016 (DIAZ)
- 7B. APPROVAL TO PURCHASE PUMPS, CONTROL PANEL, FLOATS, HATCHES, AND TRANSDUCERS FROM KAMAN INDUSTRIAL TECHNOLOGIES D/B/A FLORIDA BEARINGS FOR LIFT STATIONS 85 AND 108 (IFB-16-111) (HOLMES)

- 7C. APPROVAL OF AMENDMENT #1 FOR INVESTMENT ADVISORY SERVICES, RFP-14-016 WITH PFM ASSET MANAGEMENT LLC (HOLMES)
- 7D. AMENDMENT TO DEVELOPER'S SERVICE AGREEMENT FOR POINCIANA CARDIAC CLINIC (BIRON)
- 7E. APPROVAL OF SEPTEMBER ASSET DISPOSAL (HOLMES)
- 7F. APPROVAL TO WAIVE COMPETITIVE BIDDING FOR DYER AVENUE MANHOLE REPAIR RESTORATION (EVERSOLE)
- 8. Informational Presentations
- 9. Unfinished Business
- 10. New Business:
  - 10A: APPROVAL OF CONTRACT WITH SOUTHEASTERN INVESTMENT SECURITIES, LLC FOR FINANCIAL ADVISOR SERVICES FOR THE AUTHORITY (HENDERSON)
  - 10B. APPROVAL FOR TOHO WATER AUTHORITY (TWA) TO PROVIDE CERTIFICATION OF FINANCIAL RESPONSIBILITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA FOR THE CYPRESS LAKE WATER TREATMENT PLANT CONCENTRATE REJECT WELL PERMITTING (WHEELER)
- 11. Staff Report:
  - 11A. MONTHLY PRESENTATION PERIOD 10 FY2016 (FIGUEROA/FENELON)
  - 11B. ENGINEERING SERVICES CUSTOMER SERVICE REPORT (BIRON)



**Board Meeting Date: 9/14/2016**

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**Category: Public Hearing**

**Agenda Item: 5A**

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**Department: Business Services**

**Attachments: Resolution 2016-008; Published Rates**

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**Title: PUBLIC HEARING FOR FEE & RATE CHANGES**

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**Summary:**

**Explanation:** The budget proposed for fiscal year 2017 includes recommendations for several rate and fee adjustments. In order to enact these rates in October, 2016, the Board approved the notice of a public hearing scheduled for September 14, 2016 at 5:00 PM. The Authority advertised the public hearing notice twenty (20) days in advance of the public hearing as required by charter.

At the public hearing, the Board may reduce any of the proposed rate increases or may eliminate one or more increases altogether. However, the Board cannot increase the published rate changes without re-advertising and holding another public hearing. Staff will take the Board action from the public hearing to adjust, if necessary, the budget for Fiscal Year 2017 to be presented for approval on September 28, 2016. The overall changes in user rates is projected to generate approximately \$3.5 million in additional revenue in Fiscal Year 2017 to be used to fund new and renewal operating capital expenditure requirements and reach targeted reserve goals established by the Board for the next four years.

Rates have been requested to be adjusted 4% per year for the next four years with the first adjustment to become effective October 1, 2016 and the last one to become effective Oct 1, 2019. No other action will be necessary for rates to be adjusted yearly, unless the Board desires to change or eliminate the proposed rate adjustment.

**As published in the Notice of Public Hearing – FY17 Usage Rates**

The rates for the entire system reflect an adjustment of 4.0% to water, wastewater, irrigation, charges and fees. These adjustments are needed to reach targeted future required capital reserves, fund major capital expenditures, and offset increases in operating expenses. A summary of the bill impacts for residential, commercial and irrigation customers using the usage levels listed is outlined below:

Board Meeting Date: 9/14/2016

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Category: Public Hearing

Agenda Item: **5A**

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Service Type	Meter Size	Monthly Usage Level	Current FY16	Proposed FY17	\$ Change
Residential	¾ Inch	4,000 Gallons	\$36.68	\$38.14	\$1.46
Irrigation	¾ Inch	10,000 Gallons	\$35.07	\$36.48	\$1.41
Commercial	2 Inch	30,000 Gallons	\$331.05	\$344.31	\$13.26

**As published in the Notice of Public Hearing – FY18 - FY20 Usage Rates**

The rates for the entire system reflect an adjustment of 4.0% to water, wastewater, irrigation, charges and fees for FY 2018-2020. These adjustments are projected to help reach targeted capital reserves to fund future alternative water capital expenditures. A summary of the bill impacts for residential, commercial and irrigation customers over the following three years after FY 2017, using the usage levels listed, is outlined below:

Service Type	Meter Size	Monthly Usage Level	Proposed FY18	Proposed FY19	Proposed FY20
Residential	¾ Inch	4,000 Gallons	\$39.67	\$41.25	\$42.88
Irrigation	¾ Inch	10,000 Gallons	\$37.90	\$39.42	\$40.95
Commercial	2 Inch	30,000 Gallons	\$358.06	\$372.30	\$387.04

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**Total Costs:**

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**Recommended Action:**

Staff recommends approval of Resolution 2016-008 approving the water, irrigation, and wastewater rates, fees, and charges.

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Initials: RTH

# **PUBLIC HEARING FOR RATES & FEES FISCAL YEAR 2017**

**SEPTEMBER 14, 2016**





# Public Hearing

- Public Hearing Item 5-A
  - Water, Wastewater, Irrigation, & Grease Traps
  - Adjustment is estimated to generate an additional \$3.5M in additional usage revenue
  - Approve adjustments from FY18 - FY20
- Public Hearing Item 5-B
  - Restructured Reclaimed Rates
  - Approve adjustments from FY18 - FY20
- Public Hearing Item 5-C
  - Adjust  $\frac{3}{4}$  Meter Fees
- Public Hearing Item 5-D
  - Adjust System Development Charges





# Public Advertisement

- Advertised in Local Publications on August 25<sup>th</sup>
  - Osceola News Gazette
  - The Lakeland Ledger
  - Orlando Sentinel
  - Currently on Toho Web Site



# Water & Wastewater Rate Adjustment Proposals FY17 – FY20



# SYSTEM OVERVIEW

## Approximately \$880 Million in Assets

### WATER SUPPLY

WELLS 52 active wells ranging in depth from 200 ft. to 1,195 ft.

### WATER TREATMENT

PLANTS 13 Water Treatment Plants

STORAGE TANKS 18 ground storage tanks ranging in size from 30,000 to 3,500,000 gallons;  
total storage capacity of 16,800,000 gallons

### WATER TRANSMISSION & DISTRIBUTION

LINE LENGTH 1,293 miles of various pipe sizes (excluding service and other lines less than  
2" in diameter – Pipe diameters ranging from 2 – 30 inches

Fire Hydrants 10,000

### WASTEWATER TREATMENT

PLANTS 8 Water Reclamation Facilities

### WASTEWATER COLLECTION

LIFT STATIONS 397 lift stations

GRAVITY COLLECTION SYSTEM Total pipe length: 871 miles – Pipe diameter ranging from 8 – 24 inches

FORCE MAIN Total pipe length: 314 miles – Pipe diameter ranging from 4 – 36 inches

RECLAIMED WATER Total pipe length: 336 miles





# CAPITAL NEEDS

## Proposed Rate Adjustments Primarily Driven by Capital Funding Needs

- Alternative Water Supply (AWS) – Identification and development of AWS alternatives
  - Capital Reserve Target of \$50 million by FY2020
- Regional Water Supply Alliance – Water Cooperative of Central Florida
- Bio-Solids Handling & Disposal Project
- Facilities Reinvestment, Expansion, & Renovation
- Asset Management Program
  - Aging Infrastructure – Ranges from 1 – 75 years
  - Inflow & Infiltration
  - Asset Life Extension



# Alternative Water Supply

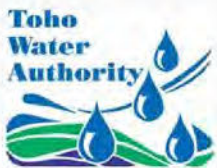
- Central Florida Water Initiative Groundwater availability analysis has determined that there is insufficient groundwater available to meet future water demand
- Alternative water sources are mandated and managed by the Water Management Districts as a part of the permitting process
- Several initiatives are included in the capital budget to comply with these mandates while addressing future water demands
- Total funding for the Authority is projected to be \$120M for Lake Cypress



## Alternative Water Supply

Project	5-Year Budget
Lake Toho/Judge Farms Restoration Initiative	12,820
160-Acre Site – Indirect Potable Reuse	15,435
Lake Cypress WTP & Pipelines <sup>[1]</sup>	40,500
<b>Total</b>	<b>\$ 72,955</b>

*<sup>[1]</sup> Additional funding beyond the five-year forecast period not included*





## Budget Goals

- Increase funding to meet current & future capital needs
- Mitigate interest future interest cost of debt
- Build up capital reserves at the end of FY2020 to target amount – (\$50M)

## PROJECTED COMBINED NET REVENUES & DEBT SERVICE COVERAGE – (\$'000's)

[Build up \$50M Reserve in 2020]

	ESTIMATE, BUDGET, AND FORECAST - FISCAL YEAR ENDING SEPTEMBER 30				
	2016 Estimate	2017 Budget	2018 Projected	2019 Projected	2020 Projected
Proposed Rate Adjustments		4.0%	4.0%	4.0%	4.0%
Total Gross Revenues	\$99,833	\$106,885	\$115,313	\$124,448	\$134,311
Total Operating Expenses	52,406	53,756	55,176	57,373	59,670
Net Operating Revenues	<b>\$47,427</b>	<b>\$53,129</b>	<b>\$60,137</b>	<b>\$67,075</b>	<b>\$74,641</b>
Debt Service Requirement	14,619	16,363	16,717	16,715	16,719
Project Debt Service Coverage	<b>3.24x</b>	<b>3.25x</b>	<b>3.60x</b>	<b>4.01x</b>	<b>4.46x</b>
Debt Proceeds	<b>50,000</b>				
Net Revenues After Debt Service	<b>32,808</b>	<b>36,766</b>	<b>43,420</b>	<b>50,360</b>	<b>57,922</b>
Other Required Transfers (R&R & PILOT)	23,280	23,929	24,514	25,110	25,681
Projected Debt Service Coverage after Other Required Transfers	<b>1.65x</b>	<b>1.78x</b>	<b>2.13x</b>	<b>2.51x</b>	<b>2.93x</b>
Budgeted Capital (90% Expenditure Rate)	32,486	42,145	4,627	4,648	7,798
Capital Reserve Impact	27,042	<b>(29,308)</b>	\$14,279	20,602	24,443
Cumulative Impact to Reserves	\$27,042	<b>(\$2,266)</b>	\$12,013	\$32,615	\$57,058



# CUSTOMER IMPACT

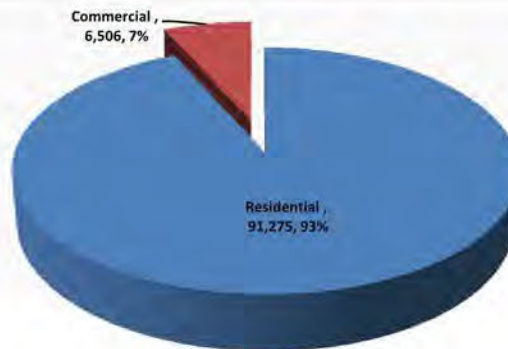
# Authority Billed Services

Billed Service	Residential	Commercial	Total
Water	91,275	6,506	97,781
Wastewater	86,054	5,790	91,844
Irrigation	16,566		16,566
Reclaimed Water	14,948		14,948

*As of 07/31/16*

94% of Residential & 89% of Commercial water billed services also have wastewater billed services (Overall 94%)

Overall 3.9% billed services growth over same time previous year





# Residential Monthly Bill Impact 4% Adjustment

Net Change			
<u>Usage</u>	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
4,000	\$0.39	\$1.07	\$1.46

Total Water & Sewer Bill			
<u>Usage</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>
4,000	\$36.68	\$38.14	\$1.46



# Residential Current Comparison – Regional Utilities

State Ranking	Entity	Water	Sewer	Total	% Diff
151 <sup>st</sup>	Polk	\$ 17.66	\$ 62.06	\$ 79.72	+ 109%
144 <sup>th</sup>	Celebration	\$ 18.02	\$ 55.88	\$ 73.90	+ 94%
87 <sup>th</sup>	Seminole	\$ 17.25	\$ 39.13	\$ 56.38	+ 48%
68 <sup>th</sup>	St Cloud	\$ 18.88	\$ 34.37	\$ 53.25	+ 40%
54 <sup>th</sup>	Winter Park	\$ 13.34	\$ 35.77	\$ 49.11	+ 29%
51 <sup>st</sup>	Casselberry	\$ 12.34	\$ 36.01	\$ 48.35	+ 27%
48 <sup>th</sup>	Lakeland	\$ 16.07	\$ 32.07	\$ 48.14	+ 26%
46 <sup>th</sup>	Orlando/OUC	\$ 10.48	\$ 36.81	\$ 47.29	+ 24%
36 <sup>th</sup>	Sanford	\$ 14.85	\$ 30.38	\$ 45.23	+ 19%
24 <sup>th</sup>	Orange County	\$ 11.40	\$ 29.99	\$ 41.39	+ 9%
14 <sup>th</sup>	Toho Proposed (4%)	\$ 9.84	\$ 28.30	\$ 38.14	-
10 <sup>th</sup>	Toho Current	\$ 9.45	\$ 27.23	\$ 36.68	- 4%
3 <sup>rd</sup>	Altamonte Springs	\$ 9.94	\$ 18.98	\$ 28.92	- 24%

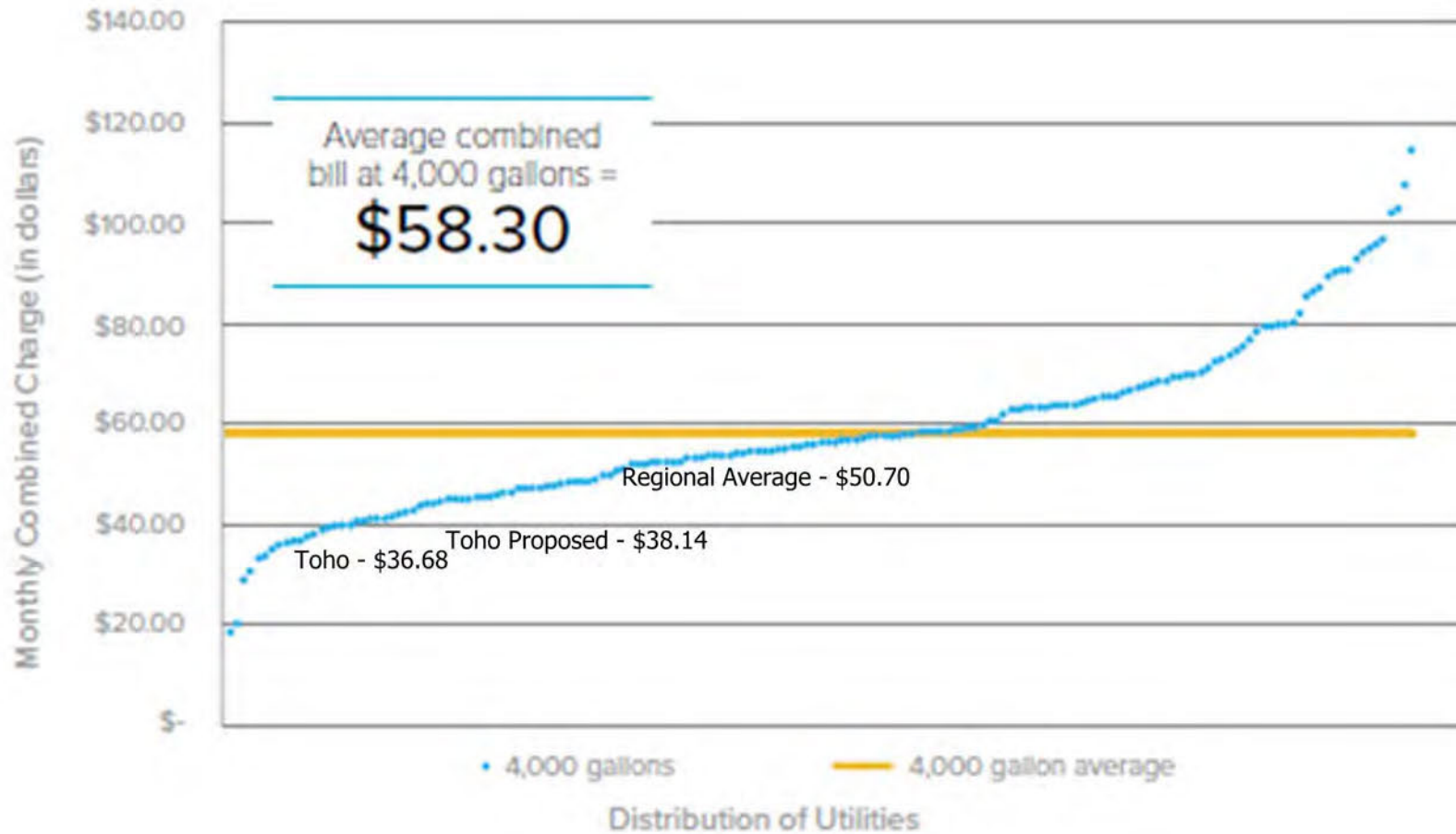
Regional Average \$50.70  
+33%



*4,000 Gallons of monthly usage  
Updated Aug, 2016, using other entities' current 2016 rates  
Compared to the entities' lowest rates offered (inside city or equivalent)  
State Ranking out of 186 reporting utilities*

## STATEWIDE AVERAGE

### COMBINED MONTHLY WATER & WASTEWATER BILL AT 4,000 GALLONS





# STATEWIDE AVERAGE –RESIDENTIAL WATER & WASTEWATER RATES

## MONTHLY WATER CHARGES AT 4,000 GALLONS



### ➤ Water

- Toho is \$12.67 under the state average or 57%
- Toho is \$5.16 under the regional average or 35%
- Toho is currently ranked the 4th lowest rate in the state out of 186 reporting utilities

### ➤ Wastewater

- Toho is \$9.67 under the state average or 26%
- Toho is \$7.61 under the regional average or 22%
- Toho is currently ranked the 27<sup>th</sup> lowest rate in the state out of 186 reporting utilities

## MONTHLY WASTEWATER CHARGES AT 4,000 GALLONS





# Commercial Monthly Bill Impact

## 4% Overall Adjustment

Net Change – 2" Meter			
<u>Usage</u>	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
30,000	\$3.15	\$10.11	\$13.26

Total Water & Sewer Bill			
<u>Usage</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>
30,000	\$331.05	\$344.31	\$13.26



# Regional Commercial Comparison

Entity	Water	Sewer	Total	% Diff
Polk	\$ 142.01	\$ 483.48	\$ 625.49	+ 82%
Seminole	\$ 135.82	\$ 303.72	\$ 439.54	+ 28%
Lakeland	\$ 136.62	\$ 296.76	\$ 433.38	+ 26%
Celebration	\$ 114.06	\$ 283.24	\$ 397.30	+ 15%
Winter Park	\$ 104.36	\$ 274.64	\$ 379.00	+ 10%
Casselberry	\$ 95.70	\$ 278.30	\$ 374.00	+ 9%
St Cloud	\$ 149.68	\$ 220.58	\$ 370.26	+ 8%
Sanford	\$ 114.62	\$ 244.97	\$ 359.59	+ 4%
Orange County	\$ 75.19	\$ 282.75	\$ 357.94	+ 4%
<b>Toho Proposed (4%)</b>	<b>\$ 79.30</b>	<b>\$ 265.01</b>	<b>\$ 344.31</b>	<b>-</b>
Toho Current	\$ 76.15	\$ 254.90	\$ 331.05	- 4%
Altamonte Springs	\$ 115.08	\$ 175.09	\$ 290.17	- 16%
Orlando/OUC	\$ 67.98	\$ 215.87	\$ 283.85	- 18%



Regional Average \$386.80 +12%



*30,000 Gallons of monthly usage with a 2 inch meter  
Updated Aug, 2016, using other entities 2016 rates  
Compared to the entities lowest rates offered (inside city)*

# Outside Irrigation Bill Comparison

Potable Water – ¾ Inch Meter			
<u>Usage</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>
10,000	\$35.07	\$36.48	\$1.41
15,000	\$58.87	\$61.23	\$2.36
20,000	\$82.67	\$85.98	\$3.31

# Grease Bill Comparison

Grease Trap		
<u>Current</u>	<u>Proposed</u>	<u>Change</u>
\$25.05	\$26.05	\$1.00

- Grease Traps Adjustment
- To cover the ongoing cost of maintenance & operation of the Grease Trap program
- Requesting annual adjustments commensurate with the wastewater adjustment





## Multi-Year Rate Adjustments

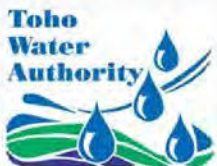
- Rate adjustments through FY2020
- Adjustment will be automatic unless Board takes action to amend the requested rate
- Assist in long-term financial planning by reducing the uncertainty of revenue changes due to rate adjustments
- Allows customers & other stakeholders to plan for specific rate adjustments

# Rate and Charges

## Proposed Water & Wastewater Monthly Charge FY2017 - FY2020

	Current	FY2017	FY2018	FY2019	FY2020
		4.0% Annual Adjustment			
Residential @ 4,000 Gals	\$36.68	\$38.14	\$39.67	\$41.25	\$42.88
Incremental Change		\$1.46	\$1.53	\$1.58	\$1.63
Commercial @ 30,000 Gals	\$331.05	\$344.31	\$358.06	\$372.30	\$387.04
Incremental Change		\$13.26	\$13.75	\$14.24	\$14.74

Fiscal Years (FY) run from October 1<sup>st</sup> – September 30<sup>th</sup> of the following year



# Regional Residential Current Comparison

Entity	Water	Sewer	Total	% Diff
Polk	\$ 17.66	\$ 62.06	\$ 79.72	+ 109%
Celebration	\$ 18.02	\$ 55.88	\$ 73.90	+ 94%
Seminole	\$ 17.25	\$ 39.13	\$ 56.38	+ 48%
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Orlando/OUC	\$ 10.48	\$ 36.81	\$ 47.29	+ 24%
Sanford	\$ 14.85	\$ 30.38	\$ 45.23	+ 19%
<b>Toho FY2020</b>	<b>\$11.06</b>	<b>\$31.82</b>	<b>\$42.88</b>	<b>+12%</b>
Orange County	\$ 11.40	\$ 29.99	\$ 41.39	+ 9%
<b>Toho FY2017 (4%)</b>	<b>\$ 9.84</b>	<b>\$ 28.30</b>	<b>\$ 38.14</b>	<b>-</b>
Toho Current	\$ 9.45	\$ 27.23	\$ 36.68	- 4%
Altamonte Springs	\$ 9.94	\$ 18.98	\$ 28.92	- 24%



Regional Average \$50.70 +33%



*4,000 Gallons of monthly usage  
Updated Aug, 2016, using other entities current 2016 rates  
Compared to the entities lowest rates offered (inside city or equivalent)*



# Regional Commercial Comparison

Entity	Water	Sewer	Total	% Diff
Polk	\$ 142.01	\$ 483.48	\$ 625.49	+ 82%
Seminole	\$ 135.82	\$ 303.72	\$ 439.54	+ 28%
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Celebration	\$ 114.06	\$ 283.24	\$ 397.30	+ 15%
<b>Toho FY2020</b>	<b>\$11.06</b>	<b>\$31.82</b>	<b>\$387.04</b>	<b>+12%</b>
Winter Park	\$ 104.36	\$ 274.64	\$ 379.00	+ 10%
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Toho Current	\$ 76.15	\$ 254.90	\$ 331.05	- 4%
Altamonte Springs	\$ 115.08	\$ 175.09	\$ 290.17	- 16%
Orlando/OUC	\$ 67.98	\$ 215.87	\$ 283.85	- 18%

Regional Average \$386.80 +12%



*30,000 Gallons of monthly usage with a 2 inch meter  
Updated Aug, 2016, using other entities 2016 rates  
Compared to the entities lowest rates offered (inside city)*



# Staff Recommendation

- Approved the rate adjustments as advertised
  - Water, Wastewater, Irrigation
  - Grease Traps
- Approve automatic annual adjustments from FY18 -FY20

# Review Board Action Today

- ☐ Vote on Adjustment of Water, and Wastewater Rates, Fees & Charges
  - ☐ Adopt the advertised resolution on rates & fees as presented
  - ☐ Amend the advertised resolution on rates & fees
    - ☐ Choose another option
    - ☐ Cannot increase without re-advertising
  - ☐ Reject the advertised resolution on rates & fees
    - ☐ Budget would be adjusted accordingly
  - ☐ Take no action on the advertised resolution

# Discussion & Questions



# Reclaimed Water Rates





# Reclaimed Rate Analysis Background

- The Authority examined the cost of providing reclaimed water service
- Evaluated modifications to the existing reclaimed rate structures for retail and bulk service
- The Authority currently provides reclaimed water to 3 types of customers:
  - Retail - Customers utilizing the entire reclaimed system
  - Bulk A - Bulk customers without onsite storage and pumping
  - Bulk B - Bulk customers with onsite storage and pumping



# Reclaimed Cost Recovery Summary

- Current rates recover 82% of the cost of service
- Bulk rates are slightly over recovering the cost of service and retail rate are only at 73% cost recovery
- While rates may recover less than the full cost of service, the level of recovery by class should be the same for equity reasons
- Recommend the Authority recover 91% from all users
- The transition to 91% brings the Authority halfway from the current 82% to full cost recovery
- Results in more comparable retail pricing to potable irrigation and enhances economics of bulk use (as compared to wells)



# Bulk Customer Rates

Current FY 16 Rates	Capacity Base Charge	Usage Rate
Bulk A	\$2.05	\$1.33
Bulk B	\$1.19	\$0.77
Proposed FY 17 Rates	Capacity Base Charge	Usage Rate
Bulk A	\$1.80	\$1.17
Bulk B	\$1.03	\$0.66

- Adjustment to 91% cost recovery would result in a reduction in Bulk customer rates in FY17



## Retail Reclaimed Rates

- The structures are designed to capture identified revenue at 91% cost recovery
- Mirror the Authority's potable irrigation rate structure with rates set as a percentage of potable irrigation rates
  - Set at 60% of potable irrigation rates
- Promotes a stronger conservation message and the value of reclaimed water
- Average reclaimed water customer usage is substantially higher than potable irrigation





# Rate and Charges

## Proposed Reclaimed Water Rates FY2017 - FY2020

Usage Levels	Current	FY2017	FY2018	FY2019	FY2020
¾" Meter		Set at 60% of Potable Irrigation Rates			
10,000 Gallons	\$18.93	\$21.93	\$22.76	\$23.69	\$24.53
Incremental Change		\$3.00	\$0.83	\$0.93	\$0.84
20,000 Gallons	\$38.57	\$51.63	\$53.66	\$55.89	\$57.93
Incremental Change		\$13.06	\$2.03	\$2.23	\$2.04

Fiscal Years (FY) run from October 1<sup>st</sup> – September 30<sup>th</sup> of the following year

## Irrigation Water Rates

Usage Levels (¾" Meter)	Current	FY2017	FY2018	FY2019	FY2020
10,000 Gallons	\$35.07	\$36.48	\$37.90	\$39.42	\$40.95
20,000 Gallons	\$82.67	\$85.98	\$89.40	\$93.02	\$96.65



# Staff Recommendation

- Approved the rate adjustments as advertised
  - 91% recovery of reclaimed water cost
  - Restructure of reclaimed water rates to match potable irrigation water rate
- Approve automatic annual adjustments from FY18 -FY20

# Review Board Action Today

- ☐ Vote on Adjustment of Reclaimed Water Rates & Structure, Fees & Charges
  - ☐ Adopt the advertised resolution on rates & fees as presented
  - ☐ Amend the advertised resolution on rates & fees
    - ☐ Choose another option
    - ☐ Cannot increase without re-advertising
  - ☐ Reject the advertised resolution on rates & fees
    - ☐ Budget would be adjusted accordingly
  - ☐ Take no action on the advertised resolution

# Discussion & Questions





# Other Fees

## Other Fee Adjustments

- Meter Fees currently charging \$300.00 for 3/4 inch Water, Irrigation, or Reclaimed Water meter
- Last time the fee was adjusted was in 2010
- Periodic review of the cost shows that we are currently not recovering the cost of installing a meter
- Not adjusting the cost of the one or two inch meter at this time
- Would become effective on November 1, 2016

Description	Current	Proposed	Difference
¾" Meter	\$ 300.00	\$ 325.00	\$ 25.00

# Staff Recommendation

- Approved the Meter Fee adjustment as advertised
  - ¾" Water, Irrigation, Reclaimed Water Meters
  - 100% recovery of total meter cost
  - Effective date as of November 1, 2016

# Review Board Action Today

- ☐ Vote on Adjustment of Water, and Wastewater Rates, Fees & Charges
  - ☐ Adopt the advertised resolution on rates & fees as presented
  - ☐ Amend the advertised resolution on rates & fees
    - ☐ Choose another option
    - ☐ Cannot increase without re-advertising
  - ☐ Reject the advertised resolution on rates & fees
    - ☐ Budget would be adjusted accordingly
  - ☐ Take no action on the advertised resolution



# Discussion & Questions



# System Development Charges



## System Development Fee Adjustments

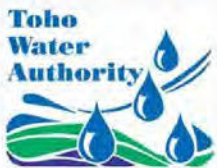
- **Proposed 2017: Rate adjustment of 3.4%**
  - Based on the ENR Construction Cost Index – July
  - To become effective January 1, 2017
- **System Development Charge History**
  - 2016: Rate adjustment of 2.1% based on the ENR Construction Cost Index – Current rate as of January 1, 2016
  - 2015: Rate adjustment of 3.0% base on the ENR Construction Cost Index
  - 2014: No Rate adjustment
  - 2013: Rate reduction
    - System Development Fee Study
    - Reduced overall rates by approximately \$860 per ERU

## SDC Fee Adjustments

Description	Current	Proposed	Difference
Water SDC – per gallon assessed	\$ 7.79	\$ 8.05	\$ 0.26
Water SDC – per ERU (300 gallons)	\$ 2,337.00	\$ 2,415.00	\$ 78.00
Wastewater SDC – per gallon assessed	\$ 12.09	\$ 12.50	\$ 0.41
Wastewater SDC – per ERU (276 gallons)	\$ 3,336.84	\$ 3,450.00	\$ 113.16

*ERU – Equivalent Residential Unit*

- Combined total proposed increase is \$191.16 per Water and Wastewater ERU





# Staff Recommendation

- Approved the System Development Charge (SDC) Adjustments as Advertised
  - Water & Wastewater SDCs
  - Adjusted using the Engineering News Record Construction Cost Index
  - To be effective on January 1, 2017

# Review Board Action Today

- ☐ Vote on Adjustment of Water, and Wastewater Rates, Fees & Charges
  - ☐ Adopt the advertised resolution on rates & fees as presented
  - ☐ Amend the advertised resolution on rates & fees
    - ☐ Choose another option
    - ☐ Cannot increase without re-advertising
  - ☐ Reject the advertised resolution on rates & fees
    - ☐ Budget would be adjusted accordingly
  - ☐ Take no action on the advertised resolution

# Discussion & Questions



## Water Rates

### Monthly Charges by Meter Size

*All Customer Classes (Residential, Commercial, Irrigation)*

Meter Size	Base Charge				
	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
3/4"	\$ 5.17	\$ 5.38	\$ 5.60	\$ 5.82	\$ 6.05
1"	\$ 9.71	\$ 10.10	\$ 10.50	\$ 10.92	\$ 11.36
1 1/2"	\$ 17.28	\$ 17.97	\$ 18.69	\$ 19.44	\$ 20.22
2"	\$ 26.35	\$ 27.40	\$ 28.50	\$ 29.64	\$ 30.83
3"	\$ 50.57	\$ 52.59	\$ 54.69	\$ 56.88	\$ 59.16
4"	\$ 77.81	\$ 80.92	\$ 84.16	\$ 87.53	\$ 91.03
6"	\$ 153.47	\$ 159.61	\$ 165.99	\$ 172.63	\$ 179.54
8"	\$ 244.26	\$ 254.03	\$ 264.19	\$ 274.76	\$ 285.75
10"	\$ 350.19	\$ 364.20	\$ 378.77	\$ 393.92	\$ 409.68

### Residential Class

#### Consumption Charge

#### Monthly Usage

Gallons (in 000s)

	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Tier 1: 0 - 2	\$ 0.48	\$ 0.50	\$ 0.52	\$ 0.54	\$ 0.56
Tier 2: 2 - 5	\$ 1.66	\$ 1.73	\$ 1.80	\$ 1.87	\$ 1.94
Tier 3: 5 - 10	\$ 2.99	\$ 3.11	\$ 3.23	\$ 3.36	\$ 3.49
Tier 4: 10 - 20	\$ 4.76	\$ 4.95	\$ 5.15	\$ 5.36	\$ 5.57
Tier 5: 20 & Above	\$ 7.16	\$ 7.45	\$ 7.75	\$ 8.06	\$ 8.38

### Commercial Class

#### Consumption Charge

	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Tier 1: All use	\$ 1.66	\$ 1.73	\$ 1.80	\$ 1.87	\$ 1.94



# ATTACHMENT A

## Irrigation Rates

### Monthly Charges by Meter Size

*All Customer Classes (Residential, Commercial, Irrigation)*

Meter Size	Base Charge				
	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
3/4"	\$ 5.17	\$ 5.38	\$ 5.60	\$ 5.82	\$ 6.05
1"	\$ 9.71	\$ 10.10	\$ 10.50	\$ 10.92	\$ 11.36
1 1/2"	\$ 17.28	\$ 17.97	\$ 18.69	\$ 19.44	\$ 20.22
2"	\$ 26.35	\$ 27.40	\$ 28.50	\$ 29.64	\$ 30.83
3"	\$ 50.57	\$ 52.59	\$ 54.69	\$ 56.88	\$ 59.16
4"	\$ 77.81	\$ 80.92	\$ 84.16	\$ 87.53	\$ 91.03
6"	\$ 153.47	\$ 159.61	\$ 165.99	\$ 172.63	\$ 179.54
8"	\$ 244.26	\$ 254.03	\$ 264.19	\$ 274.76	\$ 285.75
10"	\$ 350.19	\$ 364.20	\$ 378.77	\$ 393.92	\$ 409.68

*All Irrigation*

### Consumption Charge

	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Tier 1	\$ 2.99	\$ 3.11	\$ 3.23	\$ 3.36	\$ 3.49
Tier 2	\$ 4.76	\$ 4.95	\$ 5.15	\$ 5.36	\$ 5.57
Tier 3	\$ 7.16	\$ 7.45	\$ 7.75	\$ 8.06	\$ 8.38

Meter Size

Tier 1

Tier 2

Tier 3

Gallons (in 000s)

3/4"	0 - 10	10 - 20	20 & Above
1"	0 - 25	25 - 50	50 & Above
1 1/2"	0 - 50	50 - 100	100 & Above
2"	0 - 80	80 - 160	160 & Above
3"	0 - 160	160 - 320	320 & Above
4"	0 - 250	250 - 500	500 & Above
6"	0 - 500	500 - 1,000	1,000 & Above
8"	0 - 800	800 - 1,600	1,600 & Above
10"	0 - 1,150	1,150 - 2,300	2,300 & Above

# ATTACHMENT A

## Wastewater Rates

### Monthly Charges by Meter Size

*All Customer Classes (Residential, Commercial, Irrigation)*

#### Base Charge

To become effective on:

Meter Size	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
3/4"	\$ 12.85	\$ 13.36	\$ 13.89	\$ 14.45	\$ 15.03
1"	\$ 28.92	\$ 30.08	\$ 31.28	\$ 32.53	\$ 33.83
1 1/2"	\$ 55.67	\$ 57.90	\$ 60.22	\$ 62.63	\$ 65.14
2"	\$ 87.80	\$ 91.31	\$ 94.96	\$ 98.76	\$ 102.71
3"	\$ 173.46	\$ 180.40	\$ 187.62	\$ 195.12	\$ 202.92
4"	\$ 269.81	\$ 280.60	\$ 291.82	\$ 303.49	\$ 315.63
6"	\$ 537.50	\$ 559.00	\$ 581.36	\$ 604.61	\$ 628.79
8"	\$ 858.71	\$ 893.06	\$ 928.78	\$ 965.93	\$ 1,004.57
10"	\$ 1,233.46	\$ 1,282.80	\$ 1,334.11	\$ 1,387.47	\$ 1,442.97

### Residential Class

#### Consumption Charge

#### Monthly Usage

To become effective on:

Gallons (in 000s)	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Tier 1: 0 - 2	\$ 1.62	\$ 1.68	\$ 1.75	\$ 1.82	\$ 1.89
Tier 2: 2 & Above	\$ 5.57	\$ 5.79	\$ 6.02	\$ 6.26	\$ 6.51

### Commercial Class

#### Consumption Charge

To become effective on:

	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Tier 1 - All use	\$ 5.57	\$ 5.79	\$ 6.02	\$ 6.26	\$ 6.51

### Flat Rate Sewer Only

#### Monthly Charge

To become effective on:

	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Usage Charge	\$ 14.38	\$ 14.94	\$ 15.54	\$ 16.16	\$ 16.80
Base Charge	\$ 12.85	\$ 13.36	\$ 13.89	\$ 14.45	\$ 15.03
Flat Rate	\$ 27.23	\$ 28.30	\$ 29.43	\$ 30.61	\$ 31.83

# ATTACHMENT A

## Grease Trap Charges

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### Per Grease Trap

*All Customer Classes (Residential, Commercial)*

#### Flat Rate Charge

To become effective on:

Per Grease Trap	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Monthly Charge	\$ 25.05	\$ 26.05	\$ 27.09	\$ 28.17	\$ 29.30

**RESOLUTION NO. 2016-008**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE TOHOPEKALIGA WATER AUTHORITY  
ADOPTING A REVISED SCHEDULE OF WATER,  
WASTEWATER, IRRIGATION, AND OTHER FEES AND  
CHARGES; PROVIDING FOR APPLICABILITY; AND  
PROVIDING FOR AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY:**

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to Chapter 2003-368, Laws of Florida, Chapter 189, Florida Statutes, and other applicable laws (the "Act").

**SECTION 2. FINDINGS.** It is hereby ascertained, determined and declared by the Board of Supervisors (the "Board") of the Tohopekaliga Water Authority (the "Authority") that:

(A) Pursuant to Section 12(3) of the Act, the Authority is authorized to change or revise the schedule of water, wastewater, irrigation, and other fees and charges for the use of the services, facilities and products of the Authority by each customer, upon compliance with the notice and hearing requirements set forth in the Act for the adoption of such rates, fees and charges.

(B) The Authority has held a public hearing on the proposed system of water, irrigation, wastewater, and other fees and charges, after publication of notice as required by the Act.



(C) The water, irrigation, wastewater and, other fees and charges contained in this Resolution are just, equitable, and uniform for users in the same class.

**SECTION 3. REVISED RATE, OTHER FEES AND CHARGES.** The water, wastewater, irrigation, and other fees and charges set forth in Exhibit "A" attached hereto and incorporated hereto by reference are hereby adopted.

**SECTION 4. APPLICABILITY AND EFFECTIVE DATE.** This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption, except that the schedule of revised water, wastewater, irrigation, and other fees and charges specified herein shall become effective with the beginning of the customer's first (1<sup>st</sup>) billing cycle after September 30<sup>th</sup>, 2016 and billed in November, 2016 and thereafter.

**PASSED AND DULY ADOPTED** by the Board of Supervisors of the  
Tohopekaliga Water Authority on the 14<sup>th</sup> day of September 2016.

**BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY**

By: \_\_\_\_\_  
Bruce R. Van Meter, Chairman

ATTEST:

\_\_\_\_\_  
Tom White, Secretary

**Board Meeting Date:** 9/14/2016

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**Category:** Public Hearing

**Agenda Item:** 5B

---

**Department:** Business Services

**Attachments:** Resolution 2016-009; Published Rates

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**Title:** PUBLIC HEARING FOR FEE & RATE CHANGES

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**Summary:**

**Explanation:** The budget proposed for fiscal year 2017 includes recommendations for several rate and fee adjustments. In order to enact these rates in October, 2016, the Board approved the notice of a public hearing scheduled for September 14, 2016 at 5:00 PM. The Authority advertised the public hearing notice twenty (20) days in advance of the public hearing as required by charter.

At the public hearing, the Board may reduce any of the proposed rate increases or may eliminate one or more increases altogether. However, the Board cannot increase the published rate changes without re-advertising and holding another public hearing. Staff will take the Board action from the public hearing to adjust, if necessary, the budget for Fiscal Year 2017 to be presented for approval on September 28, 2016. The overall changes in reclaimed water rates is projected to generate approximately \$294 thousand in additional revenue in Fiscal Year 2017 to be used to offset some of the operating cost in the production and distribution of reclaimed water.

Reclaimed Water rates have been requested to be restructured to mirror the irrigation rate structure to help promote a conservation message in the usage of reclaimed water. Reclaimed water rates are proposed to be set at 60% of potable irrigation water rates, and adjusted accordingly as irrigation rates adjust. The rates will be adjusted for the next four years with the first adjustment to become effective October 1, 2016 and the last one to become effective Oct 1, 2019. No other action will be necessary for rates to be adjusted yearly, unless the Board desires to change or eliminate the proposed rate adjustments.

**As published in the Notice of Public Hearing – FY17 Usage Rates**

The rates reflect an adjustment to reclaimed water. These adjustments are needed to offset some of the operating cost in the production and distribution of reclaimed water. A summary of the bill impacts using the usage levels listed is outlined below:

**Board Meeting Date:** 9/14/2016

---

**Category:** Public Hearing

**Agenda Item:** 5B

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Meter Size	Monthly Usage Level	Current FY16	Proposed FY17	\$ Change
¾ Inch	10,000 Gallons	\$18.93	\$21.93	\$3.00
1 Inch	25,000 Gallons	\$48.40	\$52.81	\$4.41
2 Inch	80,000 Gallons	\$175.88	\$166.04	(\$9.84)

**As published in the Notice of Public Hearing – FY18 - FY20 Usage Rates**

The rates reflect an adjustment to reclaimed water for FY 2018-2020. These adjustments are needed to offset some of the operating cost in the production and distribution of reclaimed water in future years. A summary of the bill impacts using the usage levels listed is outlined below:

Meter Size	Monthly Usage Level	Proposed FY18	Proposed FY19	Proposed FY20
¾ Inch	10,000 Gallons	\$22.76	\$23.69	\$24.53
1 Inch	25,000 Gallons	\$54.80	\$57.05	\$59.07
2 Inch	80,000 Gallons	\$172.30	\$179.38	\$185.70

---

**Total Costs:**

[Click here to enter text.](#)

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**Recommended Action:**

Staff recommends approval of Resolution 2016-009 approving the water, irrigation, and wastewater rates, fees, and charges.

---

Initials: RTH



# ATTACHMENT A

## Reclaimed Water Rates

### Monthly Charges by Meter Size

*All Customer Classes (Residential, Commercial, Irrigation)*

Meter Size	Base Charge				
	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
3/4"	\$ 4.65	\$ 3.23	\$ 3.36	\$ 3.49	\$ 3.63
1"	\$ 14.90	\$ 6.06	\$ 6.30	\$ 6.55	\$ 6.82
1 1/2"	\$ 20.02	\$ 10.78	\$ 11.21	\$ 11.66	\$ 12.13
2"	\$ 68.68	\$ 16.44	\$ 17.10	\$ 17.78	\$ 18.50
3"	\$ 132.71	\$ 31.55	\$ 32.81	\$ 34.13	\$ 35.50
4"	\$ 194.18	\$ 48.55	\$ 50.50	\$ 52.52	\$ 54.62
6"	\$ 388.82	\$ 95.77	\$ 99.59	\$ 103.58	\$ 107.72

*All Customer Classes*

### Consumption Charge

	To become effective on:				
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Tier 1	\$ 1.34	\$ 1.87	\$ 1.94	\$ 2.02	\$ 2.09
Tier 2	\$ 1.78	\$ 2.97	\$ 3.09	\$ 3.22	\$ 3.34
Tier 3	\$ 2.24	\$ 4.47	\$ 4.65	\$ 4.84	\$ 5.03
Tier 4	\$ 2.69	Eliminated			

### Current Tier Structure

Meter Size	Tier 1	Tier 2	Tier 3	Tier 4
Gallons (in 000s)				
3/4"	0 - 8	8 - 16	16 - 24	Above 24
1"	0 - 48	48 - 96	96 - 144	Above 144
1 1/2"	0 - 120	120 - 240	240 - 360	Above 360
2"	0 - 240	240 - 480	480 - 720	Above 720
3"	0 - 440	440 - 880	880 - 1,320	Above 1,320
4"	0 - 720	720 - 1,440	1,440 - 2,160	Above 2,160
6"	0 - 3,400	3,400 - 6,800	6,800 - 10,200	Above 10,200

### Adopted Tier Structure

Meter Size	Tier 1	Tier 2	Tier 3
Gallons (in 000s)			
3/4"	0 - 10	10 - 20	Above 20
1"	0 - 25	25 - 50	Above 50
1 1/2"	0 - 50	50 - 100	Above 100
2"	0 - 80	80 - 160	Above 160
3"	0 - 160	160 - 320	Above 320
4"	0 - 250	250 - 500	Above 500
6"	0 - 500	500 - 1,000	Above 1,000

# ATTACHMENT A

## Reclaimed Water Rates

### Bulk Reclaim Water Rates

		Per EIC			
<i>Capacity Base Charge</i>		To become effective on:			
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Class A	\$ 2.05	\$ 1.80	\$ 1.87	\$ 1.94	\$ 2.02
Class B	\$ 1.19	\$ 1.03	\$ 1.07	\$ 1.11	\$ 1.15

		Per Bill			
<i>Customer Service/Admin Charge</i>		To become effective on:			
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Class A	\$ 2.10	\$ 2.18	\$ 2.27	\$ 2.36	\$ 2.45
Class B	\$ 2.10	\$ 2.18	\$ 2.27	\$ 2.36	\$ 2.45

		(per 1,000 gallons)			
<i>Consumption Charge</i>		To become effective on:			
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Class A	\$ 1.33	\$ 1.17	\$ 1.22	\$ 1.27	\$ 1.32
Class B	\$ 0.77	\$ 0.66	\$ 0.69	\$ 0.72	\$ 0.75

### Flat Rate Reclaim

		Monthly Charge			
<i>(Based on 14,000 gallons usage)</i>		To become effective on:			
	Current	1-Oct-16	1-Oct-17	1-Oct-18	1-Oct-19
Flat Rate	\$ 26.05	\$ 33.81	\$ 35.12	\$ 36.52	\$ 37.98

**RESOLUTION NO. 2016-009**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE TOHOPEKALIGA WATER AUTHORITY  
ADOPTING A REVISED SCHEDULE OF RECLAIMED  
WATER RATES, OTHER FEES AND CHARGES;  
PROVIDING FOR APPLICABILITY; AND PROVIDING  
FOR AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY:**

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to Chapter 2003-368, Laws of Florida, Chapter 189, Florida Statutes, and other applicable laws (the "Act").

**SECTION 2. FINDINGS.** It is hereby ascertained, determined and declared by the Board of Supervisors (the "Board") of the Tohopekaliga Water Authority (the "Authority") that:

(A) Pursuant to Section 12(3) of the Act, the Authority is authorized to change or revise the schedule of reclaimed water rates, fees and charges for the use of the services, facilities and products of the Authority by each customer, upon compliance with the notice and hearing requirements set forth in the Act for the adoption of such rates, fees and charges.

(B) The Authority has held a public hearing on the proposed system of reclaimed water rates, other fees and charges, after publication of notice as required by the Act.

(C) The reclaimed water rates, other fees and charges contained in this Resolution are just, equitable, and uniform for users in the same class.

**SECTION 3. REVISED RATE, OTHER FEES AND CHARGES.** The reclaimed water rates, other fees and charges set forth in Exhibit "A" attached hereto and incorporated hereto by reference are hereby adopted.

**SECTION 4. APPLICABILITY AND EFFECTIVE DATE.** This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption, except that the schedule of revised reclaimed water rates, other fees and charges specified herein shall become effective with the beginning of the customer's first (1<sup>st</sup>) billing cycle after September 30<sup>th</sup>, 2016 and billed in November, 2016 and thereafter.



**PASSED AND DULY ADOPTED** by the Board of Supervisors of the  
Tohopekaliga Water Authority on the 14<sup>th</sup> day of September 2016.

**BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY**

By: \_\_\_\_\_  
Bruce R. Van Meter, Chairman

ATTEST:

\_\_\_\_\_  
Tom White, Secretary

**Board Meeting Date: 9/14/2016**

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**Category: Public Hearing**

**Agenda Item: 5C**

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**Department: Business Services**

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**Attachments: Resolution 2016-010; Published Rates**

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**Title: PUBLIC HEARING FOR FEE CHANGES**

---

**Summary:**

**Explanation:** The budget proposed for fiscal year 2017 includes recommendations for several rate and fee adjustments. In order to enact these rates in October, 2016, the Board approved the notice of a public hearing scheduled for September 14, 2016 at 5:00 PM. The Authority advertised the public hearing notice twenty (20) days in advance of the public hearing as required by charter.

At the public hearing, the Board may reduce any of the proposed rate increases or may eliminate one or more increases altogether. However, the Board cannot increase the published rate changes without re-advertising and holding another public hearing. Staff will take the Board action from the public hearing to adjust, if necessary, the budget for Fiscal Year 2017 to be presented for approval on September 28, 2016. The change in meter fees for Fiscal Year 2017 is projected to offset the Authority's cost of setting a  $\frac{3}{4}$  inch meter. Meter fees are being requested to be adjusted 8.3% to become effective November 1, 2016.

**As published in the Notice of Public Hearing – FY17 Meter Fees**

The rates for the entire system reflect an adjustment to Meter Fees of 8.3%. This adjustment is needed to adequately cover the cost of setting a  $\frac{3}{4}$  inch meter. Meter fees were last adjusted in September, 2010.

Meter Type	Meter Size	Current FY16	Proposed FY17	\$ Change
Residential	$\frac{3}{4}$ Inch	\$300.00	\$325.00	\$25.00
Irrigation	$\frac{3}{4}$ Inch	\$300.00	\$325.00	\$25.00
Reclaim	$\frac{3}{4}$ Inch	\$300.00	\$325.00	\$25.00

**Board Meeting Date: 9/14/2016**

---

**Category: Public Hearing**

**Agenda Item: 5C**

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**Total Costs:**

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**Recommended Action: Recommendation:** Staff recommends approval of Resolution 2016-010 approving the meter fee adjustment.

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Initials: RTH

**3/4" Meter Fee**

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<b>Meter Type</b>	<b>Effective on:</b>	
	<b>Current</b>	<b>1-Nov-16</b>
Water	\$ 300.00	\$ 325.00
Irrigation	\$ 300.00	\$ 325.00
Reclaim	\$ 300.00	\$ 325.00



**RESOLUTION NO. 2016-010**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE TOHOPEKALIGA WATER AUTHORITY  
ADOPTING A REVISED SCHEDULE OF METER FEES  
AND CHARGES; PROVIDING FOR APPLICABILITY;  
AND PROVIDING FOR AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY:**

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to Chapter 2003-368, Laws of Florida, Chapter 189, Florida Statutes, and other applicable laws (the "Act").

**SECTION 2. FINDINGS.** It is hereby ascertained, determined and declared by the Board of Supervisors (the "Board") of the Tohopekaliga Water Authority (the "Authority") that:

(A) Pursuant to Section 12(3) of the Act, the Authority is authorized to change or revise the schedule of meter fees and charges for the use of the services, facilities and products of the Authority by each customer, upon compliance with the notice and hearing requirements set forth in the Act for the adoption of such fees and charges.

(B) The Authority has held a public hearing on the proposed system of meter fees and charges, after publication of notice as required by the Act.

(C) The meter fees and charges contained in this Resolution are just, equitable, and uniform for users in the same class.

**SECTION 3. REVISED METER FEES AND CHARGES.** The meter fees and charges set forth in Exhibit "A" attached hereto and incorporated hereto by reference are hereby adopted.

**SECTION 4. APPLICABILITY AND EFFECTIVE DATE.** This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption, except that the schedule of revised meter fees and charges specified herein shall become effective on November 1<sup>st</sup>, 2016 and thereafter.

**PASSED AND DULY ADOPTED** by the Board of Supervisors of the  
Tohopekaliga Water Authority on the 14<sup>th</sup> day of September 2016.

**BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY**

By: \_\_\_\_\_  
Bruce R. Van Meter, Chairman

ATTEST:

\_\_\_\_\_  
Tom White, Secretary

**Board Meeting Date: 9/14/2016**

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**Category: Public Hearing**

**Agenda Item: 5D**

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**Department: Business Services**

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**Attachments:** Resolution 2016-011; Published Rates

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**Title: PUBLIC HEARING FOR SYSTEM DEVELOPMENT CHARGE CHANGES**

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**Summary:**

**Explanation:** The budget proposed for Fiscal Year 2017 includes recommendations for system development charges (SDC) adjustments. In order to enact these fees, the Board approved the notice of a public hearing scheduled for September 14, 2016 at 5:00 PM. The Authority advertised the public hearing notice as required by charter to advertise twenty (20) days in advance of the public hearing.

At the public hearing, the Board may reduce any of the proposed increases or may eliminate one or more increases altogether. However, the Board cannot increase the published system development fee changes without re-advertising and holding another public hearing. Staff will take the Board action from the public hearing to finalize and/or adjust the proposed budget for Fiscal Year 2017 for formal adoption on September 28, 2016.

The resolution reflects the financial practice undertaken by the Authority to annually review system development charges and apply the construction inflation for the past year. The inflationary adjustment is determined by the Engineering News Record Construction Cost Index, an industry standard. The annual adjustment reflects a 3.8% increase as of July 2016. The adjustment will apply to per gallon assessed and to an Equivalent Residential Unit (ERU).



**Board Meeting Date: 9/14/2016**

---

**Category: Public Hearing**

**Agenda Item: 5D**

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SCHEDULE OF SYSTEM DEVELOPMENT RATE CHANGES		
	Current	Proposed
Water Per Gallon Assessed	\$ 7.79	\$ 8.05
Wastewater Per Gallon Assessed	\$ 12.09	\$ 12.50
Residential Unit:		
Water Impact @ 300 ERUs	\$ 2,337.00	\$ 2,415.00
Wastewater Impact @ 276 ERUs	\$ 3,336.84	\$ 3,450.00

The fee increase will be effective January 1, 2017; in accordance with the "Florida Impact Fee Act" (F.S. chapter 163.31801) requiring that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or amended SDCs.

---

**Total Costs:**

[Click here to enter text.](#)

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**Recommended Action:**

Staff recommends approval of Resolution 2016-011 approving to adjust the water and wastewater SDCs as advertised in the public notice.

---

Initials: RTH

## System Development Charges

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### *All Customer Classes (Residential, Commercial)*

Per Gallon Assessed	Effective on:	
	Current	1-Jan-17
Water SDC	\$ 7.79	\$ 8.05
Wastewater SDC	\$ 12.09	\$ 12.50

### *Per Equivalent Residential Unit (ERU)*

Water SDC @ 300 ERU	\$ 2,337.00	\$ 2,415.00
Wastewater SDC @276 ERU	\$ 3,336.84	\$ 3,450.00

**RESOLUTION NO. 2016-011**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF  
THE TOHOPEKALIGA WATER AUTHORITY  
PROVIDING FOR REVISED WATER AND  
WASTEWATER SYSTEM DEVELOPMENT FEES;  
PROVIDING FOR COMPLIANCE WITH THE FLORIDA  
IMPACT FEE ACT; PROVIDING FOR APPLICABILITY  
AND AN EFFECTIVE DATE.**

**BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY:**

**SECTION 1. AUTHORITY.** This Resolution is adopted pursuant to Chapter 2003-368, Laws of Florida, Chapter 189, Florida Statutes, Chapter 2006-218, Laws of Florida (the "Florida Impact Fee Act") and other applicable laws (the "Act").

**SECTION 2. FINDINGS** It is hereby ascertained, determined and declared by the Board of Supervisors (the "Board") of the Tohopekaliga Water Authority (the "Authority") that:

(A) Pursuant to Section 12(3) of the Act, the Authority has changed and revised certain water and wastewater system development charges as per Exhibit "A" attached.

(B) The Florida Impact Fee Act requires that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or amended impact fee.

(C) The system development charges provided for in this resolution have been calculated based upon the most recent and localized data.

### **SECTION 3. COMPLIANCE REQUIREMENTS**

(D) The system development charges provided for in this resolution shall be accounted for and reported as provided for in the Florida Impact Fee Act.

(E) Administrative charges for the collection of such system development charges shall be limited to actual costs.

(F) Notice shall be provided at least 90 days before the effective date of the system development charges provided for in this resolution.

(G) Except as provided in subsection (H) below, this resolution shall become effective immediately upon adoption.

(H) The system development charges provided for in this resolution shall become effective on January 1, 2017 and after compliance with the 90 day notice requirement provided by the Florida Impact Fee Act.

**SECTION 4. APPLICABILITY AND EFFECTIVE DATE.** This Resolution shall be liberally construed to effect the purposes hereof and shall take effect immediately upon its adoption, except that the schedule of water and wastewater system development charges specified herein shall become effective on January 1<sup>st</sup>, 2017 and thereafter.



**PASSED AND DULY ADOPTED** by the Board of Supervisors of the  
Tohopekaliga Water Authority on the 14<sup>th</sup> day of September 2016.

**BOARD OF SUPERVISORS OF THE  
TOHOPEKALIGA WATER AUTHORITY**

By: \_\_\_\_\_  
Bruce R. Van Meter, Chairman

ATTEST:

\_\_\_\_\_  
Tom White, Secretary

Board of Supervisors  
Regular Meeting Minutes  
**August 24, 2016**

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**Present:**

Chairman Bruce Van Meter  
Vice Chair Clarence Thacker  
Supervisor Wendell McKinnon  
Supervisor John Lambert  
Supervisor Skip Stellfox  
General Counsel Mark Lawson

Executive Director Brian L Wheeler  
Deputy Executive Director Mike Sweeney  
Executive Assistant Nilsa C Diaz  
Commissioner Wanda Rentas  
Commissioner Michael Harford  
Commissioner Todd Dantzler

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**Absent:** Secretary Tom White, Commissioner Wanda Rentas, Commissioner Michael Harford, and Commissioner Todd Dantzler

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**1. Meeting called to order by:**  
Chairman Van Meter

**Time:**  
5:00 PM

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**2. After a Moment of Silent Reflection, Supervisor Stellfox led the attendees in the Pledge of Allegiance.**

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**3. Approval of Agenda:** Supervisor Lambert moved for approval of the Agenda as published and Supervisor Stellfox seconded the motion. Motion passed 5 to 0.

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**4. Awards and Presentations**

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**5. Public Hearing**

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**6. Hear the Audience**

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**7. Consent Agenda:** Supervisor McKinnon moved for approval of the Consent Agenda as published. Supervisor Lambert seconded the motion. Then Chairman Van Meter stated that he wanted to pull Item 7H for discussion. Supervisor McKinnon moved for approval of the Agenda as amended and Supervisor Lambert seconded the motion. Motion passed 5 to 0.

**7A. REQUEST FOR APPROVAL OF THE TWA REGULAR BOARD MEETING MINUTES OF JULY 27, 2016 (DIAZ)**

**7B. REQUEST APPROVAL OF AMENDMENT #1 TO AGREEMENT WITH CJ'S SALES AND SERVICE OF OCALA, INC. FOR GENERATOR MAINTENANCE AND REPAIR SERVICES (RFP-14-010) (HOLMES)**

**7C. REQUEST APPROVAL TO EXTEND PIGGYBACK AGREEMENT WITH LYNCH OIL FOR TANK WAGON FUEL SERVICES (PBA-14-013) (HOLMES)**

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Board of Supervisors  
Regular Meeting Minutes  
**August 24, 2016**

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7D. REQUEST APPROVAL OF AUGUST ASSET DISPOSAL (HOLMES)

7E. REQUEST APPROVAL OF AWARD OF CONTRACT TO UTHERN UNDERGROUND INDUSTRIES, INC FOR THE SIMPSON ROAD 30-INCH WATER MAIN EXTENSION CONSTRUCTION PROJECT (MATOS)

7F. REQUEST APPROVAL OF AMENDMENT #1 TO EXTEND CONTRACT WITH INKTEL CONTACT CENTER SOLUTIONS, LLC FOR CALL CENTER SERVICES (BW-16-077) (HEWITT)

7G. REQUEST APPROVAL OF CONSTRUCTION CONTRACT AWARD (IFB-16-109) FOR THE 355 ERIE COURT EMERGENCY GRAVITY SEWER MAIN REPLACEMENT (NEWELL)

7H. REQUEST APPROVAL OF THE SCOPE OF SERVICES WITH TETRA TECH TO ASSIST STAFF IN THE NEGOTIATIONS AND DESIGN REVIEWS OF THE NORTH EAST DISTRICT (PELHAM) – Chairman Van Meter asked whether reclaimed water service was included in the scope of work because the agenda back-up did not specifically discuss reclaimed water. Executive Director Wheeler responded that the development was restricted from using potable water for irrigation therefore reclaimed water and other non-potable water sources would be used. Chairman Van Meter asked why the developer of the Northeast District (Tavistock) desired to construct the water and wastewater treatment infrastructure for the development. Executive Director Wheeler responded that the developer plans to create a community development district (CDD) for the development. Through the CDD the developer will construct and finance the infrastructure having control of the schedule and costs of the development. Design and construction of the water and wastewater treatment facilities would be done in accordance with TWA specifications. Following construction, the facilities will be transferred to TWA to provide wholesale service to the CDD. There was discussion about the potential for TWA to eventually becoming the owner of the CDD water and wastewater system assets at some time in the future. The Board and Executive Director discussed alternatives for insuring the CDD water and wastewater infrastructure was constructed and maintained in accordance with TWA standards. Supervisor Thacker asked whether Executive Director Wheeler was comfortable that TWA will have sufficient approval authority under a contract with the developer. Executive Director Wheeler responded that establishing the approval authority was the intent of the contract negotiations. Supervisor Thacker moved for approval and Supervisor McKinnon seconded the motion. Motion passed 5 to 0.

7-I. REQUEST APPROVAL OF THE COMMUNITY VISION DISCOVER OSCEOLA (COX)

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Board of Supervisors  
Regular Meeting Minutes

**August 24, 2016**

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7J. APPROVAL OF CONTINUING CONTRACTS TO PROVIDE ELECTRICAL SERVICES ON A TASK AUTHORIZATION BASIS (RFQu-16-080) (HOLMES)

7K. STANDARD SERVICES AGREEMENT, SS-16-083 WITH PURE TECHNOLOGIES U.S. INC. FOR DUCTILE PIPE CONDITION ASSESSMENTS (NOYES)

7L. APPROVAL OF CONSTRUCTION CONTRACT AWARD (IFB-16-117) FOR THE ROBERT MCLANE GRAVITY SEWER MAIN REPLACEMENT (NEWELL)

7M. APPROVAL OF MICROSOFT ENTERPRISE AGREEMENT RENEWAL (PBA-14-012) (HOLMES)

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**8. Informational Presentations**

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**9. Unfinished Business**

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**10. New Business:**

**10A. EMERGENCY FORCE MAIN AND GRAVITY SEWER REPLACEMENT ON SAN REMO RD (PELHAM)** – Mr. Robert Pelham, Director of Engineering, provided a summary of the sanitary sewer failure and repairs on San Remo Road in Poinciana. He provided a chronology of the several force main failures and gravity sewer failures that resulted in several significant sewage spills between July 18<sup>th</sup> and August 6. A summary of the causes of the failures and the extensive repairs being undertaken was provided. The Board was advised that the Authority could face potential regulatory action from the Florida Department of Environmental Protection for the sewage discharges. Supervisor Thacker moved for approval of the emergency repair for the force main and gravity sewer replacement on San Remo Road in the amount of \$577,500 which includes a 5% contingency. Supervisor Stellfox seconded the motion. Motion passed 5 to 0.

**10B. AUTHORIZATION TO EXPEND FUNDS TO DEVELOP A HISTORY OF TOHO WATER AUTHORITY (WHEELER)** – Executive Director Wheeler stated that Chairman Van Meter had proposed retaining the services of a professional writer or historian to assist in developing a short history of the Authority. The history would be used for orientation of new Board members and employees as well as information for the public. The Executive Director recommended budgeting \$5,000 for the production of a history of the Authority. Supervisor McKinnon moved for approval of the expenditure. Supervisor Thacker seconded the motion. Motion passed 5 to 0.

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Board of Supervisors  
Regular Meeting Minutes  
**August 24, 2016**

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**11. Staff Reports:**

**11A. PIO INFORMATION QUARTERLY REPORT APRIL-JUNE 2016 (COX)**

**11B. UPDATE OF THE STATUS OF IMPLEMENTING THE DEVELOPMENT SERVICES PROCESS IMPROVEMENT RECOMMENDATIONS (SWEENEY) –**

Deputy Executive Director Mike Sweeney gave a Power Point presentation summarizing the status of the implementation of the recommendations for improvements to development project approval and construction inspection processes from the Matrix Consulting report. Deputy Executive Director Sweeney fielded questions from the Board on the presentation.

**11C. RECLAIM WATER MAIN BREAK** – Mr. Robert Pelham, Director of Engineering, gave a Power Point presentation summarizing the break in the 36' reclaimed water transmission main near the intersection of Old Tampa Highway and Route 17/92. The main break damaged Old Tampa Highway to the extent that the road was closed to traffic. As a result of the break, the Authority was unable to supply cooling water to the Cane Island Power Plant and a number of reclaimed water customers. A significant amount of reclaimed water was discharged to surface waters while the main was out of service for repairs. One of the Authority's continuing contractors was able to mobilize quickly to initiate the repairs which will take several days. Initial evaluation of the main break indicates that the break may have been the result of some damage to the pipe during the installation of a telecommunications cable by a contractor. The preliminary estimate of the cost of the repair was in the range of a half a million dollars. A final cost of the repair will be provided to the Board at a subsequent meeting.

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**12. Board Attorney:** General Counsel Mark Lawson reported to the Board on the status of the Florida Advanced Research and Manufacturing Center agreement with Osceola County.

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**13. Board Officials:** Executive Director Wheeler reported to the Board that the Kissimmee City Commission had recommended Supervisor Tom White as the new Chairman of the TWA Board of Supervisors, accepting Osceola County's earlier recommendation. Supervisor White will become Chairman on October 1<sup>st</sup>. Osceola County will be responsible for appointing someone to fill Supervisor White's seat on the Board. The City of Kissimmee recommended that the County consider appointing Mayor Jim Swan.

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Board of Supervisors  
Regular Meeting Minutes  
**August 24, 2016**

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**14. Adjournment:**

There being no further business to come before the Board, Chairman Van Meter adjourned the meeting at 6:14 PM.

**Approved:**

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Bruce R. Van Meter, Chairman

**Attest:**

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Tom White, Secretary

ncd

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**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item: 7B**

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**Department: Procurement Services**

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**Attachments:**

IFB-16-111 Bid Tabulation Sheet

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**Title:**

**APPROVAL TO PURCHASE PUMPS, CONTROL PANEL, FLOATS, HATCHES, AND TRANSDUCERS FROM KAMAN INDUSTRIAL TECHNOLOGIES D/B/A FLORIDA BEARINGS FOR LIFT STATIONS 85 AND 108 (IFB-16-111)**

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**Summary:**

TWA currently maintains and operates 397 lift stations throughout its service area. Every 20 to 25 years, stations require major rehabilitation to maintain acceptable levels of service. Common rehabilitation efforts include control system upgrades, replacement of pumps, piping and valves, wet well wall renovation, and site improvements. TWA has developed a program to design and construct most of the lift station rehabilitation projects with staff resources to reduce the project costs.

Staff issued an Invitation for Bid (IFB-16-111) to the authorized distributors for Flygt, Wilo-Emu, and ABS-Sulzer parts in Florida for the supply and delivery of pumps, control panels, floats, hatches, transducers, and related accessories for the rehabilitation of Lift Stations 85 and 108.

Bids were opened on August 11, 2016, and three of the authorized pump manufacturers responded to the IFB as follows:

**BID SUMMARY**

<b>Bidder</b>	<b>Bid Total</b>
<b>Kaman Industrial Technologies/Florida Bearings</b>	<b>\$76,759.86</b>
Hydra Services, Inc.	\$86,200.00
Xylem Water Solutions USA, Inc.	\$94,477.00

Kaman Industrial Technologies Corporation, doing business as Florida Bearings, was determined to be the lowest responsive and responsible bidder meeting the required specifications. Therefore, staff requests to recommend Kaman Industrial Technologies for award.

The project will be funded by budgeted lift station rehabilitation operating funds.

**Board Meeting Date:** 9/14/2016

---

**Category:** Consent Agenda

**Agenda Item: 7B**

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**Total Cost:**

\$76,759.86

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**Recommended Action:**

Staff recommends approval of award to Kaman Industrial Technologies Corporation d/b/a Florida Bearings for the purchase of pumps, control panel, floats, hatches, transducers and related accessories for LS-85 and LS-108.

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Initials: tlp/fh



**IFB-16-111 - LS-85 & LS-108 Pumps, Control Panel, Floats, Hatch, Transducer  
Bid Tabulation**

			Kaman Industrial Technologies/Florida Bearings		Hydra Service(S), Inc.		Xylem Water Solutions USA, Inc.	
Item	Description	Qty.	Unit Price	Extended Price	Unit Price	Extended Price	Unit Price	Extended Price
1	<b>Pumps, LS-85</b>	2	\$10,079.75	\$20,159.50	\$9,400.00	\$18,800.00	\$10,256.88	\$20,513.76
2	Control Panel	1	\$15,946.25	\$15,946.25	\$16,940.00	\$16,940.00	\$17,017.91	\$17,017.91
3	Aluminum Hatch, Transducer, Pump Power Cable, Float, Hanger, Float, Guide Rails, Pumps Bases, Lift Chains, Lift Shackle, Etc.	LS	\$4,635.80	\$4,635.80	\$8,260.00	\$8,260.00	\$6,158.33	\$6,158.33
4	Spare Parts, LS-85	LS	\$2,343.13	\$2,343.13	\$2,400.00	\$2,400.00	\$2,670.00	\$2,670.00
5	Startup Services, LS-85	LS	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,115.00	\$1,115.00
	<b>Pumps, LS-108</b>	2	\$5,649.69	<b>\$11,299.38</b>	\$5,200.00	\$10,400.00	\$9,729.88	\$19,459.76
5	Control Panel	1	\$14,518.75	\$14,518.75	\$15,585.00	\$15,585.00	\$16,941.21	\$16,941.21
6	Aluminum Hatch, Transducer, Pump Power Cable, Float, Hanger, Float, Guide Rails, Pumps Bases, Lift Chains, Lift Shackle, Etc.	LS	\$4,635.80	\$4,635.80	\$9,615.00	\$9,615.00	\$7,101.28	\$7,101.28
7	Spare Parts, LS-108	LS	\$1,221.25	\$1,221.25	\$2,400.00	\$2,400.00	\$2,384.75	\$2,384.75
8	Startup Services, LS-108	LS	\$1,000.00	\$1,000.00	\$800.00	\$800.00	\$1,115.00	\$1,115.00
	<b>TOTAL BASE BID</b>			<b>\$76,759.86</b>		<b>\$86,200.00</b>		<b>\$94,477.00</b>
Total on Bid Submittal				<b>\$76,699.86</b>		<b>\$85,800.00</b>		

Note: Yellow highlight indicates math error on bid.



	<b>Kaman Industrial Technologies/Florida Bearings</b>	<b>Hydra Service(S) Inc.</b>	<b>Xylem Water Solutions USA, Inc.</b>
Calendar days to provide shop drawings from date of purchase order	21 - 28 Days	10 - 15 Days	14 Days
Calendar days to deliver pumps, guide rails, pump bases, & pump power cables from date of shop drawings approval	28 - 42 Days	LS-85 = 45 - 60 Days LS-108 = 14 - 21 Days	60 - 75 Days
Calendar days to deliver control panels from date of shop drawings approval	42 - 56 Days	60 Days	45 Days
Calendar days to deliver float, float hanger, & transducer from date of shop drawings	28 - 35 Days	15 - 21 Days	14 Days
Calendar days to deliver aluminum hatch from date of shop drawings	21 - 28 Days	17 - 21 Days	21 Days
Calendar days to deliver all other materials from date of shop drawings	28 - 35 Days	14 - 21 Days	60 - 75 Days

Remarks: Offers from the vendors listed herein are the only offers received timely as of the above opening date and time. All other offers submitted in response to this solicitation, if any, are hereby rejected as late. Shaded or boxed total price indicates apparent low bidder subject to evaluation and review before an intent to award is made.

**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item:** 7C

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**Department:** Procurement Services

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**Attachments:**

Amendment #1 to RFP-14-016 for Investment Advisory Services with PFM Asset Management LLC

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**Title:**

**APPROVAL OF AMENDMENT #1 FOR INVESTMENT ADVISORY SERVICES, RFP-14-016 WITH PFM ASSET MANAGEMENT LLC**

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**Summary:**

Toho Water Authority utilizes investment advisory services for its short-term and medium-term investment portfolio. The portfolio ranges from \$90M to \$150M depending on seasonal revenue collections and the timing of bond issues. The average maturity of individual securities ranges from 30 days to 5 years.

In October 2014, TWA awarded the contract for investment advisory services to PFM Asset Management, LLC. As the investment advisor, PFM presents management, investment selection, and procedural change recommendations for the portfolio in accordance with the laws of the State of Florida and the investment policies and procedures established by the TWA. While under contract, PFM must maintain active status with the Securities and Exchange Commission under the Investment Advisor's Act of 1940 to provide financial advice in a non-discretionary capacity.

The original agreement to PFM provided for three additional one-year contract renewals. This Amendment #1 is the first of the three renewals. All original terms, conditions, and pricing remain the same.

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**Total Costs:**

\$65,000 annually

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**Recommended Action:**

Staff recommends approval of Amendment #1 for Investment Advisory Services with PFM Asset Management LLC.

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Initials: fh

**AMENDMENT # 1  
TO THE AGREEMENT BETWEEN  
TOHOPEKALIGA WATER AUTHORITY AND  
PFM ASSET MANAGEMENT LLC**

THIS AMENDMENT is made and entered between TOHOPEKALIGA WATER AUTHORITY, 951 Martin Luther King Boulevard, Kissimmee, Florida 34741 (hereinafter referred to as the "AUTHORITY") and PFM ASSET MANAGEMENT LLC, One Keystone Plaza, Suite 300, Harrisburg, Pennsylvania 17101 (hereinafter referred to as the "CONTRACTOR").

***WITNESSETH:***

**WHEREAS**, the AUTHORITY desires to maintain the services of the CONTRACTOR to continue to provide investment advisory services as further described in the Agreement RFP-14-016, approved by the Board of Supervisors on October 8, 2014, between the AUTHORITY and the CONTRACTOR; and

**WHEREAS**, pursuant to Section 24, Modification, the covenants, terms and provisions of the Agreement may be modified by way of a written instrument, mutually accepted by the parties; and

**WHEREAS**, the purpose of this Amendment is to extend the term of the Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, and provisions contained herein, the parties agree as follows:

1. Section 1, titled "Term," is hereby amended to add the following:

**SECTION 1. TERM**

The term of this Agreement is amended to extend through October 7, 2017, and may be extended as provided in the original agreement.

2. These changes shall be effective upon this Amendment being executed by both parties.
3. The terms and conditions of the original Agreement and any subsequent Amendment(s) shall remain in full force and effect. To the extent of any conflict between this Amendment and the original Agreement, the terms and conditions of this Amendment shall prevail.

**IN WITNESS WHEREOF**, the parties hereto, by their duly authorized representatives, have executed this Amendment effective the \_\_\_\_ day of \_\_\_\_\_, 2016.

**PFM ASSET MANAGEMENT, LLC**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: Managing Director

Witness: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Address: \_\_\_\_\_

**TOHOPEKALIGA WATER  
AUTHORITY**

By: \_\_\_\_\_  
Print Name: Bruce R. VanMeter  
Title: Board of Supervisors Chairperson

Attest: \_\_\_\_\_  
Print Name: Nilsa C. Diaz  
Address: 951 Martin Luther King Blvd.  
Kissimmee, Florida 34741

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was executed before me this \_\_\_\_ day of \_\_\_\_\_, 2016, by \_\_\_\_\_ as \_\_\_\_\_ of PFM Asset Management LLC., who personally swore or affirmed that he/she is authorized to execute this document and thereby bind the Limited Liability Company, and who is personally known to me OR has produced identification.

(Stamp)

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_



**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item:** 7D

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**Department:** Engineering Services

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**Attachments:**

DSA Amendment, Water main relocation bids

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**Title:**

**AMENDMENT TO DEVELOPER'S SERVICE AGREEMENT FOR POINCIANA CARDIAC CLINIC**

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**Summary:**

Dr. Sunnil M. Kakkar, (Developer) and TWA entered into a Water and Wastewater System Developer's Services Agreement dated November 30, 2015. The document was recorded in the public records on December 4, 2015. The agreement for the Poinciana Cardiac Clinic project has five standard special conditions which will remain unchanged.

During construction it was discovered an existing 8" water main that ran in an existing easement was encroaching within 10' of the building foundation. Although the main was inside the existing TWA easement it encroached on the building foundation. It was decided the water main needed to be relocated. The developer agreed to relocate approximately 465 lineal feet of 8" water main through the project parking lot and provide a new easement over the main with the developer paying for the design, construction and permitting of the main with TWA agreeing to reimburse the developer for the construction and testing of the main.

The developer secured three separate bids for the water main relocation which are attached. The lowest bid from Marion Rock, Inc. including construction and testing of the new line and demolition of the abandoned main at a cost of \$59,582.30.

The attached DSA Amendment states that TWA will reimburse the developer upon project acceptance and approval by TWA. Staff recommends approval of the amendment to the Poinciana Cardiac Clinic Developer's Service Agreement. The relocation will be funded by approved budgets for utility relocates, project number 109026.

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**Total Costs:**

\$59,582.30

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**Recommended Action:**

Staff recommends approval of the DSA amendment with reimbursement to the developer of \$59,582.30 at project acceptance.



**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item:** **7D**

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Initials: rb

# **GREAT SOUTHERN CONTRACTORS**

**GENERAL CONTRACTORS**

## **CHANGE ORDER / PROPOSAL QUOTATION**

**NO. 09**

**PROJECT:** Dr. Kakkar Medical Office Building

**QUOTE NO.:** 09

**DATE QUOTED:** 04/05/16

**PROJECT NO.:** 50964

**DAYS ALLOWED  
FOR APPROVAL:** 180

**EXPIRATION DATE:** 10/02/16

**ADDITIONAL DAYS  
FOR COMPLETION OF  
THE CONTRACT:** 5

**TO:** Dale Parsons

Charles H. Parsons Architect, PA

117 Broadway Suite B

Kissimmee, FL 34741

(Phone) 407-847-4706 (Fax) 407-846-6604

### **DESCRIPTION:**

Relocate 8 inch water main out from under the building and maintain a 10 foot clearance as per the attached water main relocation drawing from the civil engineer. This work will done during normal work hours and the water main will not disrupt the water service to any of the users.

### **SUBCONTRACTORS / VENDORS**

### **SUB / VENDOR WORK DESCRIPTION**

### **AMOUNT:**

Marion Rock

\$59,583

Supervision time for work

1,704 X 1week

\$1,704

**SELF PERFORMED WORK**

### **APPROVAL**

**ARCH:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**OWNER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

### **SUBTOTAL:**

\$61,287

**FEE PERCENT:**

10%

\$6,129

**INSURANCE:**

2%

\$1,348

**TOTAL REQUEST AMOUNT:**

\$68,764

### **DISTRIBUTION**

Signed By: \_\_\_\_\_

Ken Tumlin ,

Date: 4/5/16

**Dr Kakkar- 8" Water Main Re-location**

June 3, 2016

**Proposed Scope of Work**

**\$59,582.30**

**\$59,582.30**

Section	Item Description	Quantity	Unit of Measure	Unit Price	Extended Total
<b>Mobilization</b>					
	MOB	4	EA	\$ 500.00	\$ 2,000.00
	<b>Subtotal: \$</b>				<b>2,000.00</b>
<b>Services</b>					
	Construction layout	1	LS	\$ 1,200.00	\$ 1,200.00
	Asbuilts	1	LS	\$ 1,080.00	\$ 1,080.00
	On-site surveyor	16	JRS	\$ 120.00	\$ 1,920.00
	<b>Subtotal: \$</b>				<b>4,200.00</b>
<b>Demolition</b>					
	Miami curb	15	LF	\$ 10.00	\$ 150.00
	Saw cutting	44	LF	\$ 1.50	\$ 66.00
	Asphalt removal & dispose	254	SY	\$ 8.60	\$ 2,184.40
	<b>Subtotal: \$</b>				<b>2,400.40</b>
	Temporary patch	22	SY	\$ 32.00	\$ 704.00
	Trench width pavement	22	SY	\$ 66.00	\$ 1,232.00
	2" asphalt	254	SY	\$ 18.00	\$ 4,572.00
	<b>Subtotal: \$</b>				<b>6,508.00</b>
<b>Concrete</b>					
	Miami curb	15	LF	\$ 30.00	\$ 450.00
	<b>Subtotal: \$</b>				<b>450.00</b>
<b>8" Existing Main</b>					
	8" Joint restraints	3	EA	\$ 514.00	\$ 1,542.00
	8" MJ cap	1	EA	\$ 306.00	\$ 306.00
	Remove existing 8" main	380	LF	\$ 10.00	\$ 3,800.00
	<b>Subtotal: \$</b>				<b>5,648.00</b>
<b>Pipe &amp; Fittings</b>					
	8" PVC DR-18	465	LF	\$ 19.50	\$ 9,067.50
	8" Bell restraints	12	EA	\$ 165.00	\$ 1,980.00
	8" MJ 22 1/2 bend	1	EA	\$ 529.00	\$ 529.00
	8" MJ 45 bend	1	EA	\$ 529.00	\$ 529.00
	Temporary jumper	1	EA	\$ 2,394.00	\$ 2,394.00
	8"x2" blow off assembly	1	EA	\$ 1,100.00	\$ 1,100.00
	Sample points	2	EA	\$ 460.00	\$ 920.00
	<b>Subtotal: \$</b>				<b>16,519.50</b>
<b>Fire Hydrant Connection</b>					
	8"x6" MJ Tee	1	EA	\$ 610.00	\$ 610.00
	6" PVC	37	LF	\$ 18.20	\$ 673.40
	Fire hydrant assembly	1	EA	\$ 3,480.00	\$ 3,480.00
	6" joint rstraints	2	EA	\$ 98.00	\$ 196.00
	Pressure test	37	LF	\$ 5.00	\$ 185.00
	Flow test	1	EA	\$ 200.00	\$ 200.00
	<b>Subtotal: \$</b>				<b>5,344.40</b>
<b>Insertion Valve</b>					
	B: Insertion valve	1	EA	\$ 12,600.00	\$ 12,600.00
	Dead man restraints	1	EA	\$ 1,474.00	\$ 1,474.00

### Dr Kakkar- 8" Water Main Re-location

Subtotal: \$ 14,074.00

#### Wet Tap

8"x8" Wet tap & valve	2	EA	\$	4,680.00	\$	9,360.00
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Subtotal: \$ 9,360.00

#### Connection after line clearance

8" PVC connection	2	EA	\$	1,295.00	\$	2,590.00
8" MJ sleeves	2	EA	\$	532.00	\$	1,064.00

Subtotal: \$ 3,654.00

#### Testing

Pressure test	465	LF	\$	1.00	\$	465.00
Bac-T test	4	EA	\$	316.00	\$	1,264.00

Subtotal: \$ 1,729.00

Total: \$ 71,887.30

#### Demolition (Deductions)

Saw cutting	22	LF	\$	(1.50)	\$	(33.00)
Asphalt remove & dispose	135	SY	\$	(8.60)	\$	(1,161.00)

Subtotal: \$ (1,194.00)

#### Asphalt (Deductions)

Temporary patching	6	SY	\$	(32.00)	\$	(192.00)
2" Asphalt	135	SY	\$	(18.00)	\$	(2,430.00)

Subtotal: \$ (2,622.00)

#### Fire Hydrant Connections (Deductions)

Original Fire Hydrant Assembly	1	LS	\$	(8,489.00)	\$	(8,489.00)
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Subtotal: \$ (8,489.00)

**Total: \$59,582.30**

Total Deductions \$12,305.00

Total for latest revision \$71,887.30

Total for deducts previously approved \$12,305.00

Total for this Change Order \$59,582.30

Section	Description	Qty	Unit	Unit Price	Total
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Respectfully submitted,

James T. Boutwell - President - Marion Rock, Inc. - Qualification Date 10/01/96 - QB23719 - CUC1223772 - CGC1515056

Acceptance of Proposal

Company/ Owner: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Printed Name & Title \_\_\_\_\_

Signature - Authorized Representative \_\_\_\_\_

Date \_\_\_\_\_





SITE DEVELOPMENT  
UNDERGROUND UTILITIES

5979 SE Maricamp Road  
Ocala, FL 34472  
(352) 687-2023 Office  
(352) 687-8470 Fax

## Dr Kakkar- 8" Water Main Re-location

**Cook Construction Co., Inc.** 4206 National Guard Drive  
 Plant City, FL 33567  
 (813) 719-1203  
 (813) 719-1204 Fax No.

June 13, 2016

Great Southern Contractors

RE: Dr. Kakkar Medical Office Building 8" Water Main Re-location

Attention: Ken Tumlin,

Cook Construction Co., Inc. is pleased to quote you a lump sum amount of **\$79,089.00** to perform work on the above referenced project per the following breakdown.

**General Conditions**

MOBILIZATION	1.00	LS	\$2,200.00	\$2,200.00
LAYOUT	1.00	LS	\$4,620.00	\$4,620.00
			<b>\$6,820.00</b>	

**Demolition**

SAW CUT	44.00	LF	\$2.00	\$88.00
REMOVE CURB	15.00	LF	\$10.00	\$150.00
REMOVE ASPHALT	254.00	SY	\$9.50	\$2,413.00
			<b>\$2,651.00</b>	

**Asphalt, Striping & Curb**

TEMPORARY PATCH	22	SY	\$33.50	\$737.00
TRENCH WIDTH PAVEMENT	22	SY	\$61.00	\$1,342.00
2" ASPHALT	254	SY	\$20.00	\$5,080.00
MIAMI CURB	15	LF	\$33.00	\$495.00
			<b>\$7,654.00</b>	

**WATER & FIRE LINE**

8" JOINT RESTRAINTS	3.00	EA	\$550.00	\$1,650.00
8" MJ CAP	1.00	EA	\$350.00	\$350.00
REMOVE EXISTING 8" MAIN	380.00	LF	\$12.00	\$4,560.00
8" PVC DR 18	465.00	LF	\$25.00	\$11,625.00
8" BELL RESTRAINTS	12.00	EA	\$200.00	\$2,400.00
8" MJ 22 1/2 BEND	1.00	EA	\$600.00	\$600.00
8" MJ 45 BEND	1.00	EA	\$600.00	\$600.00
TEMPORARY JUMPER	1.00	EA	\$2,750.00	\$2,750.00
8" X 2" BLOW OFF ASSEMBLY	1.00	EA	\$1,300.00	\$1,300.00
SAMPLE POINTS	2.00	EA	\$500.00	\$1,000.00
8" X 6" MJ TEE	1.00	EA	\$650.00	\$650.00
6" PVC	37.00	LF	\$19.20	\$710.40
FIRE HYDRANT ASSEMBLY	1.00	EA	\$3,500.00	\$3,500.00
6" JOINT RESTRAINTS	2.00	EA	\$100.00	\$200.00
PRESSURE TEST	37.00	LF	\$5.00	\$185.00
FLOW TEST	1.00	EA	\$200.00	\$200.00
8" INSERTION VALVE	1.00	EA	\$13,466.60	\$13,466.60
DEAD MAN RETRAINTS	1.00	EA	\$1,474.00	\$1,474.00

8" X 8" WET TAP & VALVE	2.00	EA	\$4,680.00	\$9,360.00
8" PVC CONNECTION	2.00	EA	\$1,295.00	\$2,590.00
8" MJ SLEEVES	2.00	EA	\$532.00	\$1,064.00
PRESSURE TEST	465.00	LF	\$1.00	\$465.00
BAC-T TEST	4.00	EA	\$316.00	\$1,264.00
			<b>\$61,964.00</b>	
<b>TOTAL BID</b>				<b>\$79,089.00</b>

Exclude: all testing, permits, bonds & fees, landscaping, irrigation, seeding & mulching, sod, fencing & gates, sidewalks, all concrete paving, underground utilities, dumpster enclosure, excavation and haul off of unsuitable material, any other items unless otherwise noted above.

Sincerely,

Stephen McLeod  
President

<b>COMPLETE DEVELOPMENT, INC.</b>	6/24/2016					
P.O. BOX 450						
THONOTOSASSA FL, 33592						
<b>PROJECT: DR KAKKAR 8" WMAIN RELOCATION</b>						
<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>WEIGHTED UNIT COST</u>	<u>TOTAL W/MATERIAL</u>		<u>BID ITEM TOTAL</u>
<b>GENERAL CONDITIONS</b>						
MOB	4	EA	\$ 575.00	\$ 2,300.00		
Construction layout Onsite & Asbuilts	1	LS	\$ 4,830.00	\$ 4,830.00		
					<b>GENERAL CONDITIONS TOTAL</b>	<b>\$ 7,130.00</b>
			<u>WEIGHTED</u>	<u>TOTAL</u>		
<b>Demo Curbing / Asphalt</b>			<u>UNIT COST</u>	<u>W/MATERIAL</u>		
Miami curb	18	LF	\$ 23.00	\$ 414.00		
Saw cutting	48	LF	\$ 2.30	\$ 110.40		
Asphalt removal & dispose	262	SY	\$ 10.35	\$ 2,711.70		
					<b>REMOVALS / DEMO TOTAL</b>	<b>\$ 3,236.10</b>
			<u>WEIGHTED</u>	<u>TOTAL</u>		
<b>Asphalt Temp. Patching</b>			<u>UNIT COST</u>	<u>W/MATERIAL</u>		
Temporary patch	22	SY	\$ 51.75	\$ 1,138.50		
Trench width pavement	22	SY	\$ 78.20	\$ 1,720.40		
2" asphalt	254	SY	\$ 27.60	\$ 7,010.40		
					<b>WATER TOTAL</b>	<b>\$ 9,869.30</b>
			<u>WEIGHTED</u>	<u>TOTAL</u>		
<b>Concrete</b>			<u>UNIT COST</u>	<u>W/MATERIAL</u>		
Miami curb, my curb crew requires a minimum daily charge for such a small quanity	15	LF	\$ 230.00	\$ 3,450.00		
					<b>CONCRETE TOTAL</b>	<b>\$ 3,450.00</b>

			WEIGHTED	TOTAL		
			UNIT COST	W/MATERIAL		
<b>8" Existing Main</b>						
8" Joint restraints	3	EA	\$ 591.10	\$ 1,773.30		
8" MJ cap	1	EA	\$ 351.90	\$ 351.90		
Remove existing 8" main	390	LF	\$ 11.50	\$ 4,485.00		
<b>Pipe &amp; Fittings</b>						
8" PVC DR-18	470	LF	\$ 22.43	\$ 10,542.10		
8" Bell restraints	12	EA	\$ 189.75	\$ 2,277.00		
8" MJ 22 1/2 bend	1	EA	\$ 608.35	\$ 608.35		
8" MJ 45 bend	1	EA	\$ 608.35	\$ 608.35		
Temporary jumper	1	EA	\$ 2,753.10	\$ 2,753.10		
8"x2" blow off assembly	1	EA	\$ 1,265.00	\$ 1,265.00		
Sample points	2	EA	\$ 529.00	\$ 1,058.00		
<b>Fire Hydrant Connection</b>						
8"x6" MJ Tee	1	EA	\$ 701.50	\$ 701.50		
6" PVC	37	LF	\$ 20.93	\$ 774.41		
Fire hydrant assembly	1	EA	\$ 4,002.00	\$ 4,002.00		
6" joint rstraints	2	EA	\$ 112.70	\$ 225.40		
Pressure test	37	LF	\$ 5.75	\$ 212.75		
Flow test	1	EA	\$ 230.00	\$ 230.00		
<b>Insertion Valve</b>						
8" Insertion valve	1	EA	\$ 14,490.00	\$ 14,490.00		
Dead man restraints	1	EA	\$ 1,695.10	\$ 1,695.10		
<b>Wet Tap</b>						
8"x8" Wet tap & valve	2	EA	\$ 5,382.00	\$ 10,764.00		
<b>Connection after line clearance</b>						
8" PVC connection	2	EA	\$ 1,489.25	\$ 2,978.50		
8" MJ sleeves	2	EA	\$ 611.80	\$ 1,223.60		
<b>Testing</b>						
Pressure test	470	LF	\$ 1.15	\$ 540.50		
Bac-T test	4	EA	\$ 363.40	\$ 1,453.60		
					<b>8" Existing Main TOTAL</b>	<b>\$ 65,013.46</b>
<b>DEDUCTIONS. CDI DID NOT BID ORIGINAL SCOPE OF WORK SO WE ARE UNABLE TO PROVIDE CREDITS</b>						
			WEIGHTED	TOTAL		
			UNIT COST	W/MATERIAL		
<b>Demolition (Deductions)</b>						
Saw cutting	24	LF	\$ -	\$ -		
Asphalt remove & dispose	145	SY	\$ -	\$ -		
<b>Asphalt (Deductions)</b>						
Temporary patching	8	SY	\$ -	\$ -		
2" Asphalt	145	SY	\$ -	\$ -		
<b>Fire Hydrant Connections (Deductions)</b>						
Original Fire Hydrant Assembly	1	LS	\$ -	\$ -		
<b>UNKNOWN / UNFORSEEN CONDITIONS SUCH AS UNSUITABLE SOILS, ROCK, CONFLICTS WITH EXISTING UTILITIES OR OTHER UNKNOWNNS MAY REQUIRE ADDITIONAL PRICING.</b>						
					\$ -	
					<b>DEDUCTIONS TOTAL</b>	<b>\$ -</b>
<b>GRAND TOTAL</b>						<b>\$ 88,698.86</b>



This Document Prepared by: Ray Biron  
After Recording Return to: Theresa Hunter  
951 Martin Luther King Blvd.  
Kissimmee, FL 32741

Parcel ID Number: 25-26-28-3263-0001-0010

**Amendment to the Toho Water Authority  
Water and Wastewater System  
Standard Developer's Service Agreement  
OR 4880 / 1901 - 1914**

This Amendment (the "Agreement") is made this \_\_\_\_ day of \_\_\_\_\_ 2016, by and between Tohopekaliga Water Authority, an independent special district established and created pursuant to Chapter 189, Florida Statutes (hereinafter referred to as "Toho") and Sunnil M. Kakkar (hereinafter referred to as "Developer") and in consideration of the mutual undertakings and agreements herein contained and assumed, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the parties, the Developer and Toho hereby covenant and agree as follows:

- I) The following Special Conditions are mutually agreed upon between the Developer and Toho and are intended to amend, supplement, and add the following conditions to the previously recorded Section 21 Special Conditions section of the Developer's Service Agreement as recorded in OR 4880 / 1901 - 1914 as follows:.

6. The AUTHORITY shall reimburse the DEVELOPER \$59,582.30 per the attached cost proposal, Exhibit B. The reimbursement shall be paid according to the following conditions:

a. The DEVELOPER shall construct approximately 465 lineal feet of 8" potable water main through the project parking lot to connect to the existing 8" water main that runs along the eastern edge of the property. TWA will reimburse the DEVELOPER for the cost of constructing the 8" potable water main.

b. The DEVELOPER will chlorinate, disinfect, flush and take bacteriological test samples of approximately 465' of 8" water main before connecting to the existing water main. TWA will reimburse the DEVELOPER for the cost to chlorinate, disinfect, flush and take bacteriological tests upon project acceptance and approval by TWA.

- II) All other terms, conditions, and covenants of the Developer's Service Agreement as recorded in OR 4880 / 1901 - 1914 shall remain in full force and effect.

**TOHOPEKALIGA WATER AUTHORITY**

By: \_\_\_\_\_  
Bruce R. VanMeter, Chairman, Board of  
Supervisors  
951 Martin Luther King Blvd.  
Kissimmee, FL 34741

Attest: \_\_\_\_\_  
Tom E. White, Secretary, Board of  
Supervisors

*The form of this agreement has not been  
changed or modified from the standard  
form except for the inclusion of standard  
Special Conditions, which have been  
previously approved by the Board of  
Supervisors.*

Signed, sealed and delivered  
in the presence of:

**DEVELOPER**

x: \_\_\_\_\_

By: \_\_\_\_\_

x: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Company: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

[Corporate Seal]

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2016, by \_\_\_\_\_, of \_\_\_\_\_, a \_\_\_\_\_ authorized to do business in the State of Florida, on behalf of the corporation. S/He is personally known to me or has produced \_\_\_\_\_ as identification and did (did not) take an oath.

\_\_\_\_\_  
Signature of Person Taking Acknowledgment

\_\_\_\_\_  
Name of Acknowledger Typed, Printed or Stamped

\_\_\_\_\_  
Title or Rank

\_\_\_\_\_  
Serial Number, if any.

STATE OF FLORIDA  
COUNTY OF OSCEOLA

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2016, by Bruce R. Van Meter, of the Tohopekaliga Water Authority, a Special District authorized to do business in the State of Florida, on behalf of the corporation. He is personally known to me.

\_\_\_\_\_  
Signature of Person Taking Acknowledgment

\_\_\_\_\_  
Name of Acknowledger Typed, Printed or Stamped

\_\_\_\_\_  
Title or Rank

\_\_\_\_\_  
Serial Number, if any.

**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item:** 7E

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**Department:** Procurement Services

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**Attachments:**

N/A

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**Title:**

**APPROVAL OF SEPTEMBER ASSET DISPOSAL**

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**Summary:**

Asset disposal is a requirement set forth in Chapter 274, Florida Statutes that is intended to maximize returns on excess and surplus property by transferring the property or disposing of it through a public auction, bid, posted prices, trade-in, or donation. A list has been compiled of the Authority's inventory items examined and recommended for disposal. If approved, these inventory items will be disposed of and written-off the accounting ledgers.

Items marked for donation - Staff requests the Board's approval to dispose of the computer items listed below through a donation and destruction. On June 11, 2008, the Board approved donating surplus computers to non-profit organizations on a first come first serve basis regardless of business location or where services are provided. A list of non-profit agencies is maintained by the Procurement Services Department. In order for an agency to be declared as non-profit, they must show documentation that they are certified as a 501 (c) (3) organization by the IRS. On April 25, 2012, the Board updated this policy to have items donated to organizations and schools who are system users located and provided services within the Authority service area, before donating same to other 501 (c) (3) organizations or schools.

Items marked for auction – Staff requests the Board's approval to dispose of the items listed below through online auction. Disposal of the vehicles retires them from the Authority's fleet and removes the related insurance carrying costs.

Items marked for disposal – Staff requests approval from the Board to discard items marked for disposal. These items have been tested by Information Technology staff who determined these items are unable to be repaired.

TAG#	ITEM & DESCRIPTION	SERIAL # / VIN #
<u>Items marked for donation</u>		
19453	General Dynamics Laptop GD8000	ZZSJC0339ZZ0096

**Board Meeting Date:** 9/14/2016

**Category:** Consent Agenda

**Agenda Item:** 7E

<b><u>Items marked for auction</u></b>		
N/A	Samsung Curved UHD 6500 TV	05Z13CTH405928
N/A	Fisher Scientific Versa Water Bath	N/A
N/A	Boekel Dessicator	N/A
N/A	Brothers Intellifax 2820 Fax Machine	N/A
N/A	HP Officejet J6480 Printer	N/A
N/A	AND FX-3200 Electronic Balance	5301770
N/A	Equatherm B6551 Water Bath	27AU-10
N/A	Everplex 4BQ Quad Processor (B&W)	161122410109
<b><u>Items marked for disposal</u></b>		
19526	General Dynamics Laptop GD8000	ZZSJC1102ZZ0072
N/A	APC Battery back-up XS1300	4B1122P36852
N/A	Dell Battery Cell M5Y0X	JP-0NY38W-48630-284-00WE-A00
N/A	HP LaserJet P3015	JPBDG14822
N/A	Dell Multimedia Speaker AC511	CN-0MN008-71623-43A-0462
N/A	Seagate Hard Drive	W2AGT6RW
N/A	Western Digital Hard Drive	WMAYW1753211
17963	Videology 40VM1501BWB Video Monitor	V150209360
N/A	Pelco PMC14H Color Monitor	60109576
N/A	VWR Scientific 1300u Lab Oven	1201896
N/A	Dell 1908FPC Computer Monitor	CN-OUW042-64180-7BD-1ZCL
N/A	Dell 1908FPC Computer Monitor	CN-OUW042-64180-7BD-1ZHL
18901	Motorola Radio	687THW0285
17924	Motorola Radio	466AUYT346Z



**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item:** 7E

17246	Motorola Radio	466ABW59972
17583	Motorola Radio	466CCS0886Z
17243	Motorola Radio	466ABW5998Z
17080	Motorola Radio	466ABJ3394Z
17304	Motorola Radio	466ABY5099Z
18233	Motorola Radio	687TEU0218
18576	Motorola Radio	687TGG2496
16202	Motorola Radio	466AZY3381Z
18190	Motorola Radio	466CEE0765
17079	Motorola Radio	466ABJ3393Z
15420	Motorola Radio	466AXS2458Z
17393	Motorola Radio	466AUW2438Z
18052	Motorola Radio	466CDU0058Z
17392	Motorola Radio	466AUY3949Z
18053	Motorola Radio	466CDU0059
14703	Motorola Radio	N/A
15484	Motorola Radio	N/A
14794	Motorola Radio	481AUJ0080

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**Total**  
N/A

**Cost:**

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**Recommended Action:**

Staff recommends Board approval to dispose of the listed inventory items through donation, auction, or disposal.

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Initials:tlp/fh

**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item:** 7F

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**Department:** Engineering Services

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**Attachments:**

Location Map

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**Title:**

**APPROVAL TO WAIVE COMPETITIVE BIDDING FOR DYER AVENUE MANHOLE REPAIR RESTORATION (BW-16-124)**

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**Summary:**

The Board is requested to approve award of the Dyer Avenue Manhole Repair work to Jr. Davis Construction, Inc. (JDC) in the amount of \$104,292.50. The requested amount is in addition to \$15,000 previously approved at staff level for dewatering in advance of construction. The advanced approval allowed the site to dewater for a week prior to Board approval of the remaining work. This allows excavation to begin sooner after Board approval and results in a more rapid project completion to meet the City's deadline for opening the road.

The City of Kissimmee is currently constructing the Dyer Avenue Roadway project, located between Carroll Street and Donegan Avenue. Staff investigation of an existing manhole located within the project limits determined the presence of significant infiltration. This manhole is approximately 15 feet deep, has been in service for 29 years, and was not constructed to current Authority Standards. The Authority's Continuing Manhole Coating Contractor successfully sealed the manhole via a combination of grouting and coating, stopping the infiltration. However, a depression formed around the manhole resulting in settlement of the road, curb, sidewalk, and green space. Restoration of the impacted area requires excavation of the road, curb, sidewalk, and green space.

The City's deadline to open the road is October 8<sup>th</sup>. Due to the settlement of the road and the potential for voids under the road, the road cannot be opened until the restoration work is complete.

In order to meet the City's schedule, staff requested quotes from the City's roadway contractor, JDC, and one of the Authority's Continuing Contractors, VK Jensen. Each pricing includes mobilization; demolition of the existing road, curb, & sidewalk; final dewatering; road excavation of the soil surrounding the manhole; externally sealing manhole to reinforce the previous repairs; backfill; compaction; reconstruction of the road, curb, & sidewalk; and restoration of the green space. The quotes received are summarized below:

**Board Meeting Date:** 9/14/2016

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**Category:** Consent Agenda

**Agenda Item: 7F**

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Jr Davis Construction, Inc.	\$119,292.50*
VK Jensen Enterprises, Inc.	\$469,238.60

\*includes \$15,000 previously approved at staff level

The Procurement Policies and Procedures Manual adopted by the Board requires strict compliance to competitive bidding requirements. On rare occasions, strict compliance may not be in the best interest of TWA and its customers. In those instances, staff will request that the Board waive the policy requirement to obtain the best possible outcome under the circumstance.

The Procurement Policies and Procedures Manual requires that these services be formally bid based on the amount TWA plans to spend. In this instance, following the formal bid requirement will result in a delay in the opening of the road. Waiving the formal bid requirement and awarding the project to JDC will allow the work to be completed prior to the October 8<sup>th</sup> opening.

The approved work will be added as a change order to the current Florida Advanced Manufacturing Research Center (FAMRC) Lift Station construction contract between the Authority and JDC.

This project will be funded by wastewater rehabilitation bond funds.

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**Total Costs:**

\$104,292.50 in addition to \$15,000 previously approved.

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**Recommended Action:**

The Board is recommended to waive competitive bidding, award the Dyer Avenue Manhole Repair Restoration work to Jr. Davis Construction, Inc. in the amount of \$104,292.50, and authorize the Executive Director or Deputy Executive Director to execute the contract documents on behalf of the Board.

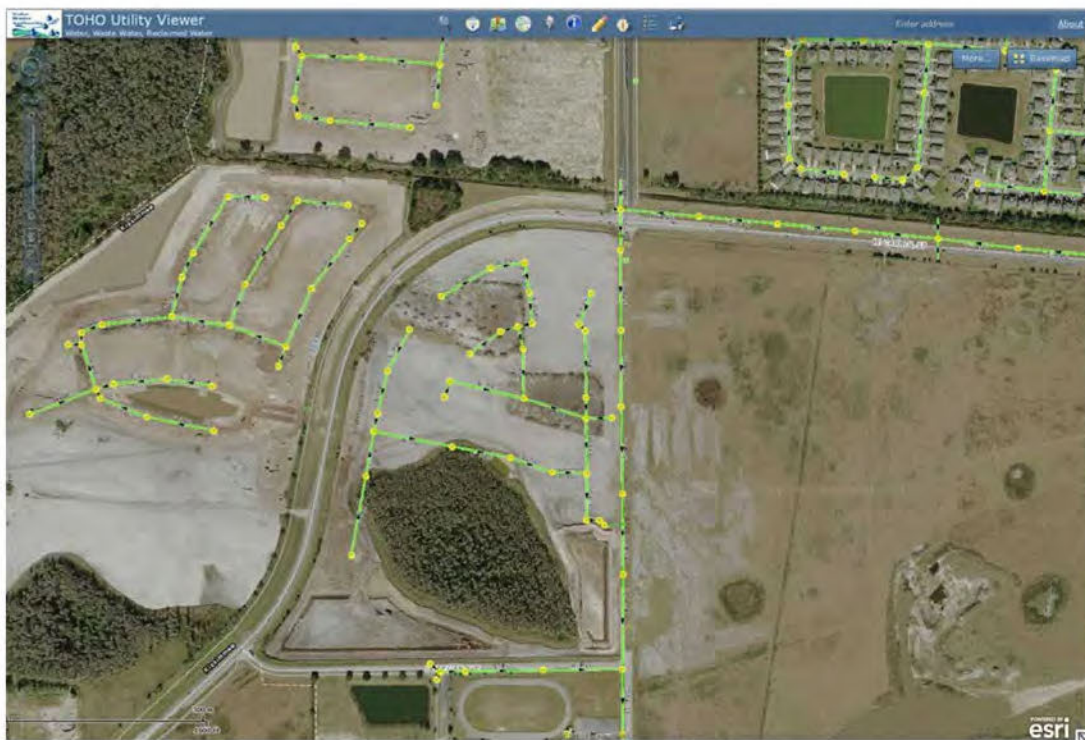
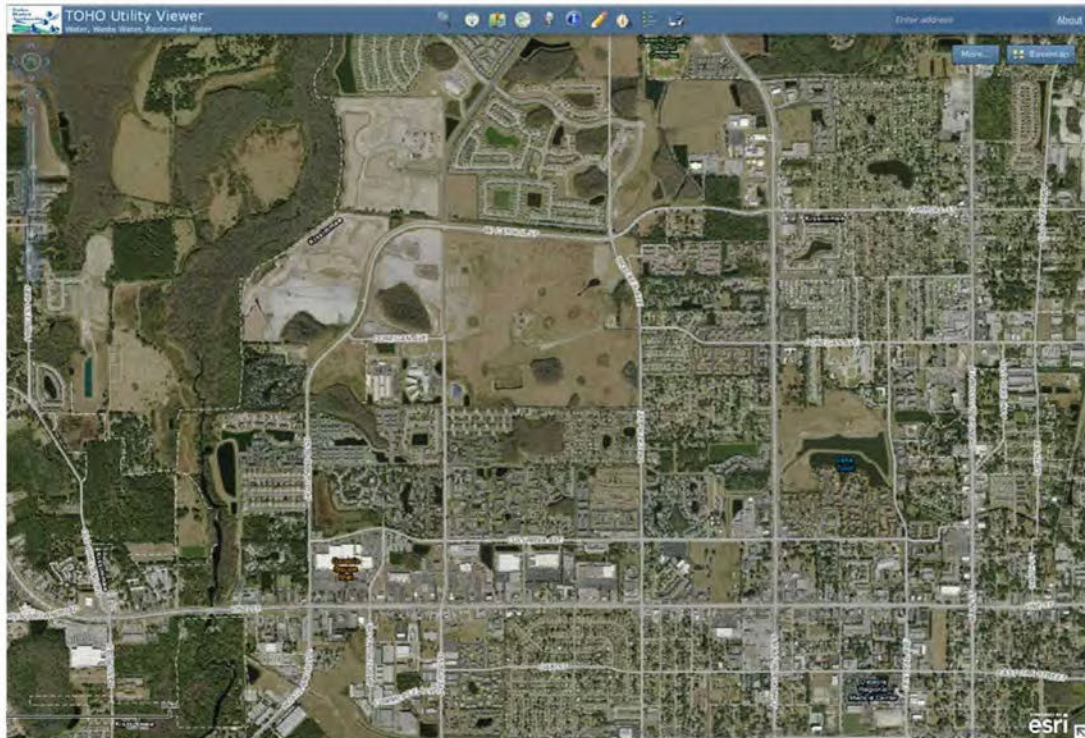
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Initials: ghe



Attachment  
Location Map

Dyer Ave Manhole Repair Restoration.09.14.16.ge





**Board Meeting Date:** 9/7/2016

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**Category:** New Business

**Agenda Item:** 10A

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**Department:** Business Services

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**Attachments:** Agreement with Southeastern Investment Securities, LLC (BW-16-105)

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**Title:** APPROVAL TO WAIVE COMPETITION AND TO AWARD THE AGREEMENT FOR MUNICIPAL ADVISOR SERVICES TO SOUTHEASTERN INVESTMENT SECURITIES, LLC

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**Summary:** During the June 22, 2016 meeting, the Board provided direction to TWA staff to initiate an agreement with Southeastern Investment Securities, LLC (SIS) for municipal advisor services. The revised fee and fee structure breaks down as follows:

1. Retainer Fee: \$1,350/month; invoiced on the first day of each month.

*Retainer will apply toward day-to-day needs of staff, including but not limited to assisting with capital needs analysis, CAFR draft reviews, capital and operating budget review, investment and swap agreement review, attendance at staff and/or Board meetings; and*

2. Hourly Fee:

- \$ 240/hour – senior
- \$ 160/hour – analyst/associate
- \$ 95/hour – other staff

3. Hourly charges will be for specific authorized projects including issuance of debt preceding adoption of Board Resolution authorizing debt; and

4. Negotiated/Competitive Public or Private Sale (Plus Retainer): \$0.65/ \$1,000.

*Capped at \$80,000; minimum \$18,500. Contingent Fee applicable upon any Board authorized transactions resulting in obligations issued by TWA.*

After review of various fee structures, staff determined that the proposed revised fee structure and fees are in-line with the market for an agency with a credit profile similar to TWA's. The previous fee structure and fees were more indicative of an agency that is first establishing a credit profile and performance history with financial markets. Over the years, TWA has benefited from the experience and expertise of SIS to navigate the requirements to establish TWA as a very strong credit with financial markets.



**Board Meeting Date:** 9/7/2016

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**Category:** New Business

**Agenda Item: 10A**

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Southeastern Investment Securities, LLC has and continues to provide reliable financial, planning, and management consulting to services to TWA since its inception. These services have included economic analyses, reviews of proposed methods of financing, recommendations for debt payment schedules, debt structure, review of financing policies, and assistance with long-term financing strategies.

TWA's Procurement Policies and Procedures Manual, adopted by the Board, requires compliance with all applicable statutes and policies involving purchases of goods and/or services. At times strict compliance may not be in the best interest of TWA and its customers. In those instances, staff may request waiver of the policy requirement in order to obtain the best possible outcome. Therefore, staff finds that waiving the procurement process and entering into agreement with Southeastern Investment Securities, LLC would be in the best interest of TWA.

---

**Total Costs:**

Minimum - monthly retainer of \$1,350 per month plus applicable authorized hourly and transaction fees

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**Recommended Action:**

Staff recommends approval to waive the procurement process and to award Municipal Advisor Services to Southeastern Investment Securities, LLC

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Initials: rh

**BW-16-105**  
**Municipal Advisor Services**

**THIS AGREEMENT** is made and entered between Tohopekaliga Water Authority, 951 Martin Luther King Boulevard, Kissimmee, Florida 34741, hereinafter referred to as the “Authority” or “TWA,” and Southeastern Investment Securities, LLC, 300 North New York Avenue, #250, Winter Park, Florida 32790 hereinafter referred to as the “Consultant.”

***W I T N E S S E T H:***

**WHEREAS**, the Consultant has extensive experience providing Municipal Advisor Services to municipalities, special districts and other governmental entities in Florida over the past forty-three (43) years and to TWA since its inception; and

**WHEREAS**, on September 14, 2016, the Board of Supervisors of Tohopekaliga Water Authority approved waiver of the procurement process under the Procurement Policies and Procedures Manual for the provision of financial services by Southeastern Investment Securities, LLC; and

**WHEREAS**, the parties hereto have agreed to the terms and conditions cited herein based on negotiations.

**NOW, THEREFORE**, in consideration of the mutual covenants, terms, and provisions contained herein, the parties agree as follows:

**SECTION 1.**            **TERM.**

The term of this Agreement shall become effective on September 14, 2016 and continue through September 13, 2019. The contract may be renewed upon mutual agreement of the parties subject to written notice.

**SECTION 2.**            **SCOPE OF SERVICES.**

The Consultant shall provide services and documents listed in Exhibit “A” which is attached hereto and incorporated herein.

**SECTION 3.**            **OBLIGATIONS OF THE CONSULTANT.**

Obligations of the Consultant shall include, but not be limited to, the following:

- A. It is understood that the Consultant shall provide and pay for all labor, tools, materials, permits, equipment, transportation, supervision, and any and all other

items or services, of any type whatsoever, which are necessary to fully complete and deliver the services requested by TWA, and shall not have the authority to create, or cause to be filed, any liens for labor and/or materials on, or against, TWA, or any property owned by TWA. Such lien, attachment, or encumbrance, until it is removed, shall preclude any and all claims or demands for any payment expected by virtue of this Agreement.

- B. The Consultant will ensure that all of its employees, agents, sub-contractors, representatives, volunteers, and the like, fully comply with all of the terms and conditions set forth herein, when providing services for TWA in accordance herewith.
- C. The Consultant shall be solely responsible for the means, methods, techniques, sequences, safety programs, and procedures necessary to properly and fully complete the work set forth in the Scope of Services.
- D. The Consultant shall maintain an adequate and competent staff, and remain authorized to do business within the State of Florida. The Consultant may subcontract the services requested by TWA, with prior written approval from the Authority; however, the Consultant is fully responsible for the satisfactory completion of all subcontracted work.

#### **SECTION 4. STANDARD OF CARE.**

- A. The Consultant has represented to TWA that it possesses a level of knowledge, experience, and expertise that is commensurate with consultants in the areas of practice required for the services to be provided. By executing this Agreement, the Consultant agrees that the Consultant will exercise that degree of care, knowledge, skill, and ability as any other similarly situated consultant possessing the degree of skill, knowledge, experience, and expertise within the local area, working on similar activities. The Consultant shall perform the services requested in an efficient manner, consistent with TWA's stated scope of services and industry standards.
- B. The Consultant covenants and agrees that it and its employees, agents, sub-contractors, representatives, volunteers, and the like, shall be bound by the same standards of conduct as stated above.

#### **SECTION 5. COMPENSATION.**

- A. The amount to be paid under this Agreement for acceptable performance of the

Scope of Work described in Exhibit "A" shall be based on the Fee Schedule specified in Exhibit "B". Any additional services requested by TWA shall be based on the hourly rates listed in Exhibit "B" plus expenses. The scope of work and compensation for such additional services shall be set forth in a written Addendum to this Agreement executed by both parties.

- B. Compensation for services completed by the Consultant will be paid in accordance with Section 218.70, Florida Statutes, Florida's Prompt Payment Act.
- C. Services to be performed in accordance with this Agreement are subject to the annual appropriation of funds by TWA. In its sole discretion, TWA reserves the right to forego use of the Consultant for any project which may fall within the Scope of Services listed herein. In the event TWA is not satisfied with the services provided by the Consultant, TWA will hold any amounts due until such time as the Consultant has appropriately addressed the problem.

#### **SECTION 6.           TERMINATION.**

TWA may terminate this Agreement, with or without cause, by giving thirty (30) days written notice to the Consultant prior to the effective date of such cancellation.

#### **SECTION 7.           PAYMENT WHEN SERVICES ARE TERMINATED.**

- A. In the event of termination of this Agreement by TWA, and not due to the fault of the Consultant, TWA shall compensate the Consultant for all authorized services performed prior to the effective date of termination.
- B. In the event of termination of this Agreement due to the fault of the Consultant, or at the written request of the Consultant, TWA shall compensate the Consultant for all authorized services completed, prior to the effective date of termination, which have resulted in a usable product or otherwise tangible benefit to TWA. All such payments shall be subject to an off-set for any damages incurred by TWA resulting from any delay occasioned by early termination. This provision shall in no way be construed as the sole remedy available to TWA in the event of breach by the Consultant.

#### **SECTION 8.           INSURANCE.**

- A. The Consultant shall maintain the following types of insurance, with the respective limits, and shall provide proof of same to TWA, in the form of a Certificate of Insurance prior to the start of any work hereunder:

1. **Worker's Compensation:** The Consultant shall provide Worker's Compensation coverage for all employees at the site location and in the case any work is subcontracted, shall require the subcontractor to provide Worker's Compensation for all its employees. The limits shall be statutory for Worker's Compensation and \$1,000,000.00 for Employer's Liability.
  2. **Comprehensive General Liability:** The Consultant shall provide coverage for all operations including, but not limited to Contractual, Products, and Completed Operations. The limits shall not be less than \$1,000,000.00.
  3. **Comprehensive Automobile Liability:** The Consultant shall provide coverage for all owned and non-owned vehicles for limits not less than \$1,000,000.00.
  4. **Professional Liability (Errors and Omissions):** The Consultant shall provide coverage for claim occurrence. The limit shall not be less than \$1,000,000.00 per claim.
  5. **Umbrella Liability:** The CONTRACTOR shall provide an umbrella policy in excess to the coverages provided for in the above paragraphs of not less than \$1,000,000.00.
- B. The Consultant shall name "Tohopekaliga Water Authority" as a certificate holder and/or as additional insured, to the extent of the services to be provided hereunder, on all required insurance policies, and provide TWA with proof of same.
- C. The Consultant, and any authorized sub-contractor(s), shall provide TWA's Procurement Services with a Certificate of Insurance evidencing such coverage for the duration of this Agreement. Said Certificate of Insurance shall be dated and show:
1. The name of the insured Consultant;
  2. The specified job by name and job number;
  3. The name of the insurer;
  4. The number of the policy;
  5. The effective date;
  6. The termination date; and
  7. A statement that the insurer will mail notice to TWA at least thirty (30) days prior to any material changes in the provisions or cancellation of the policy.
- D. Receipt of certificates or other documentation of insurance or policies or copies of policies by TWA, or by any of its representatives, which indicates less coverage than is required, does not constitute a waiver of the Consultant's obligation to fulfill the insurance requirements specified herein.
- E. The Consultant shall ensure that any sub-contractor(s), hired to perform any of the duties contained in the Scope of Services of this Agreement, maintain the same insurance requirements set forth herein. In addition, the Consultant shall maintain



proof of same on file and made readily available upon request by TWA.

**SECTION 9. TWA's OBLIGATIONS.**

At the Consultant's request, TWA agrees to provide, at no cost, all pertinent information known to be available to TWA to assist the Consultant in providing and performing the required services.

**SECTION 10. DOCUMENTS CONSTITUTING ENTIRE AGREEMENT.**

The following documents are hereby incorporated and made part of this Agreement:

1. Exhibit "A", Scope of Work
2. Exhibit "B", Fee Schedule
3. Exhibit "C", Independent Registered Municipal Advisor Disclosure Certificate
4. Exhibit "D", Regulatory Affirmation of Municipal Advisory Agreement
5. Exhibit "E", Disclosure Statement of Municipal Advisor or Consultant

**SECTION 11. APPLICABLE LAW, VENUE, JURY TRIAL.**

The laws of the State of Florida shall govern all aspects of this Agreement. In the event it is necessary for either party to initiate legal action regarding this Agreement, venue shall lie in Osceola County, Florida. The parties hereby waive their right to trial by jury in any action, proceeding or claim, arising out of this Agreement, which may be brought by either of the parties hereto.

**SECTION 12. PUBLIC RECORDS COMPLIANCE.**

The Consultant understands that by virtue of this Agreement all of its documents, records and materials of any kind, relating to the relationship created hereby, shall be open to the public for inspection in accordance with Florida law. If Consultant shall act on behalf of TWA, as provided under Section 119.011(2), Florida Statutes, as amended, the Consultant, subject to the terms of Section 287.058(1)(c), Florida Statutes, as amended, and any other applicable legal and equitable remedies, shall:

- a) Keep and maintain public records that ordinarily and necessarily would be required by TWA in order to perform the service; and
- b) Provide the public with access to public records on the same terms and conditions that TWA would provide the records and at a cost that does not exceed the cost provided by Florida law; and
- c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law;

- and
- d) Meet all requirements for retaining public records and transfer, at no cost, to TWA all public records in possession of the Consultant upon termination of the contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirement. All records stored electronically must be provided to TWA in a format that is compatible with the information technology systems of TWA; and
  - e) If the Consultant does not comply with a public records request, TWA shall enforce the contract provisions in accordance with the Agreement.

### **SECTION 13. INDEPENDENT CONSULTANT.**

This Agreement does not create an employee/employer relationship between the parties. It is the parties' intention that the Consultant, its employees, sub-contractor, representatives, volunteers, and the like, will be an independent contractor and not an employee of TWA for all purposes, including, but not limited to, the application of the following, as amended: the Fair Labor Standards Act minimum wage and overtime payments, the Federal Insurance Contribution Act, the Social Security Act, the Federal Unemployment Tax Act, the provisions of the Internal Revenue Code, the State of Florida revenue and taxation laws, the State of Florida workers' compensation laws, the State of Florida unemployment insurance laws, and the Florida Retirement System benefits. The Consultant will retain sole and absolute discretion in the judgment of the manner and means of carrying out the Consultant's activities and responsibilities hereunder. The Consultant shall have a fiduciary responsibility to TWA in serving as Municipal Advisor to the Authority and shall serve as the Authority's Independent Registered Municipal Advisor (IRMA) for purposes of Securities and Exchange Commission (SEC) Rule 15Ba1-1(d)(3)(vi) (the "IRMA Exemption") thereby allowing TWA to post on its website the IRMA Disclosure Certificate attached hereto as Exhibit "C" and incorporated herein.

### **SECTION 14. APPLICABLE LICENSING.**

The Consultant, at its sole expense, shall obtain all required federal, state, and local licenses, occupational and otherwise, required to successfully providing the services set forth herein.

### **SECTION 15. COMPLIANCE WITH ALL LAWS.**

The Consultant, at its sole expense, shall comply with all laws, ordinances, judicial decisions, orders, and regulations of federal, state, Municipal Securities Rulemaking Board (MSRB), Authority, and municipal governments, as well as their respective departments, commissions, boards, and officers, which are in effect at the time of execution of this Agreement or are adopted at any time following the execution of this Agreement. The Consultant further agrees to comply with the MSRB Regulatory Affirmation of Municipal Advisory Agreement attached hereto as Exhibit "D" and incorporated herein.

**SECTION 16.**            **INDEMNIFICATION.**

The Consultant agrees to be liable for any and all damages, losses, and expenses incurred by TWA caused by the acts or omissions of the Consultant, or any of its employees, agents, sub-contractors, representatives, volunteers, or the like in the event that the Consultant fails to maintain the insurance coverages specified in Section 8. The Consultant agrees to indemnify, defend and hold TWA harmless for any and all claims, suits, judgments, damages, losses and expenses, including but not limited to, court costs, expert witnesses, consultation services and attorney's fees, arising from any and all acts and/or omissions of the Consultant, or any of its employees, agents, sub-contractors, representatives, volunteers, or the like in the event that the Consultant fails to maintain the insurance coverages specified in Section 8.

**SECTION 17.**            **SOVEREIGN IMMUNITY.**

TWA expressly retains all rights, benefits and immunities of sovereign immunity in accordance with Section 768.28, Florida Statutes. Notwithstanding anything set forth in any section, article or paragraph of this Agreement to the contrary, nothing in this Agreement shall be deemed as a waiver of sovereign immunity or limits of liability which may have been adopted by the Florida Legislature or may be adopted by the Florida Legislature, and the cap on the amount and liability of the Authority for damages, attorney fees and costs, regardless of the number or nature of claims in tort, equity or contract, shall not exceed the dollar amount set by the Florida Legislature for tort. Nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim against TWA which would otherwise be barred under the Doctrine of Sovereign Immunity or operation of law.

**SECTION 18.**            **BANKRUPTCY OR INSOLVENCY.**

If the Consultant shall file a Petition in Bankruptcy, or if the same shall be adjudged bankrupt or insolvent by any Court, or if a receiver of the property of the Consultant shall be appointed in any proceeding brought by or against the Consultant, or if the Consultant shall make an assignment for the benefit of creditors, or proceedings shall be commenced on or against the Consultant's operations of the premises, TWA may terminate this Agreement immediately notwithstanding the notice requirements of Section 6 hereof.

**SECTION 19.**            **BINDING EFFECT.**

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors, and/or assigns.

**SECTION 20.**            **ASSIGNMENT.**

This Agreement shall only be assignable by the Consultant upon the express written

consent of TWA.

**SECTION 21.**      **SEVERABILITY.**

All clauses found herein shall act independently of each other. If a clause is found to be illegal or unenforceable, it shall have no effect on any other provision of this Agreement. It is understood by the parties hereto that if any part, term, or provision of this Agreement is by the courts held to be illegal or in conflict with any law of the State of Florida or the United States, the validity of the remaining portions or provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid.

**SECTION 22.**      **WAIVER.**

Failure of the parties to insist upon strict performance of any of the covenants, terms, provisions, or conditions of this Agreement, or to exercise any right or option herein contained, shall not be construed as a waiver or a relinquishment for the future of any such covenant, term, provision, condition, or right of election, but same shall remain in full force and effect.

**SECTION 23.**      **NOTICE.**

The parties hereto agree and understand that written notice, mailed or delivered to the last known mailing address, shall constitute sufficient notice to TWA and the Consultant. All notices required and/or made pursuant to this Agreement to be given to TWA and the Consultant shall be in writing and given by way of the United States Postal Service, first class mail, postage prepaid, addressed to the following addresses of record:

AUTHORITY:

Toho Water Authority  
Attention: Procurement Services  
1628 S. John Young Parkway  
Kissimmee, Florida 34741

CONSULTANT:

Southeastern Investment Securities, LLC  
P.O. Box 250  
Winter Park, Florida 32790

**SECTION 24.**      **MODIFICATION.**

The covenants, terms, and provisions of this Agreement may be modified by way of a written instrument, mutually accepted by the parties hereto. In the event of a conflict between the covenants, terms, and/or provisions of this Agreement and any written Amendment(s) hereto, the provisions of the latest executed instrument shall take precedence.

**SECTION 25.**            **HEADINGS.**

All headings of the sections, exhibits, and attachments contained in this Agreement are for the purpose of convenience only and shall not be deemed to expand, limit or change the provisions contained in such sections, exhibits, and attachments.

**SECTION 26.**            **ADMINISTRATIVE PROVISIONS.**

In the event TWA issues a purchase order, memorandum, letter, or any other instrument addressing the services, work, and materials to be provided and performed pursuant to this Agreement, it is hereby specifically agreed and understood that any such purchase order, memorandum, letter, or other instrument is for TWA's internal purposes only, and any and all terms, provisions, and conditions contained therein, whether printed or written, shall in no way modify the covenants, terms, and provisions of this Agreement and shall have no force or effect thereon.

**SECTION 27.**            **CONFLICT OF INTEREST.**

The Consultant warrants that the Consultant has not employed or retained any company or person, other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement, and that the Consultant has not paid or agreed to pay any person, company, corporation, individual, or firm any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. Further Consultant warrants to the information contained in the MSRB Disclosure Statement of Municipal Advisor or Consultant attached hereto as Exhibit "E" and incorporated herein. For the breach or violation of this Paragraph, TWA shall have the right to terminate this Agreement immediately, without liability and without regard to the notice requirements of Section 6 hereof.

**SECTION 28.**            **PUBLIC ENTITY CRIMES.**

As required by Section 287.133, Florida Statutes, the Consultant warrants that it is not on the convicted contractor list for a public entity crime committed within the past thirty six (36) months. The Consultant further warrants that it will neither utilize the services of, nor contract with, any supplier, sub-contractor, or consultant in connection with this Agreement for a period of thirty six (36) months from the date of being placed on the convicted contractor list.

**SECTION 29.**            **EMPLOYMENT ELIGIBILITY VERIFICATION (E-VERIFY)**

In accordance with State of Florida, Office of the Governor, Executive Order 11-116 (superseding Executive Order 11-02; Verification of Employment Status), in the event performance of this Agreement is or will be funded using state or federal funds, the Consultant must comply with the Employment Eligibility Verification Program ("E-Verify Program") developed by the federal government to verify the eligibility of individuals to work in the United States and 48 CFR 52.222-54 (as amended) is incorporated herein by reference. If applicable, in accordance with Subpart 22.18 of the Federal Acquisition Register, the Consultant must (1)



enroll in the E-Verify Program, (2) use E-Verify to verify the employment eligibility of all new hires working in the United States, except if the Consultant is a state or local government, the Consultant may choose to verify only new hires assigned to the Agreement; (3) use E-Verify to verify the employment eligibility of all employees assigned to the Agreement; and (4) include these requirement in certain subcontract, such as construction. Information on registration for and use of the E-Verify Program can be obtained via the internet at the Department of Homeland Security Web site: <http://www.dhs.gov/E-Verify>.

**SECTION 30. JOINT AUTHORSHIP.**

This Agreement shall be construed as resulting from joint negotiation and authorship. No part of this Agreement shall be construed as the product of any one of the parties hereto.

**SECTION 31. EQUAL OPPORTUNITY EMPLOYER.**

The Consultant is an Equal Opportunity Employer and will comply with all equal opportunity employment laws. The Consultant will further ensure that all sub-contractors it utilizes in providing the services required hereunder will comply with all equal opportunity employment laws.

**SECTION 32. AUDITING, RECORDS, AND INSPECTION.**

In the performance of this Agreement, the Consultant shall keep books, records, and accounts of all activities, related to the Agreement, in compliance with generally accepted accounting procedures. Throughout the term of this Agreement, books, records, and accounts related to the performance of this Agreement shall be open to inspection during regular business hours by an authorized representative of TWA, and shall be retained by the Consultant for a period of three years after termination or completion of the Agreement, or until the full Authority audit is complete, whichever comes first. TWA shall retain the right to audit the books during the three-year retention period. All books, records, and accounts related to the performance of this Agreement shall be subject to the applicable provisions of the Florida Public Records Act, Chapter 119, Florida Statutes. TWA also has the right to conduct an audit within sixty (60) days from the effective date of this Agreement to determine whether the Consultant has the ability to fulfill its contractual obligations to the satisfaction of TWA. TWA has the right to terminate this Agreement based upon its findings in this audit without regard to the termination provision set forth herein.

**[THIS SPACE IS INTENTIONALLY LEFT BLANK.]**

**IN WITNESS WHEREOF**, the parties hereto, by their duly authorized representatives, have executed this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2016.

**SOUTHEASTERN INVESTMENT  
SECURITIES, LLC**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Attest Signature: \_\_\_\_\_  
Attest Print Name: \_\_\_\_\_  
Address: 300 North New York Ave., #250  
Winter Park, FL 32790

**TOHOPEKALIGA WATER  
AUTHORITY**

By: \_\_\_\_\_  
Print Name: Bruce R. VanMeter  
Title: Board of Supervisors Chairperson

Attest Signature: \_\_\_\_\_  
Attest Print Name: \_\_\_\_\_  
Address: 951 Martin Luther King Blvd,  
Kissimmee, Florida 34741

**STATE OF \_\_\_\_\_**  
**COUNTY OF \_\_\_\_\_**

The foregoing instrument was executed before me this \_\_\_\_ day of \_\_\_\_\_, 2016, by \_\_\_\_\_ as \_\_\_\_\_ of Southeastern Investment Securities, LLC, who personally swore or affirmed that he/she is authorized to execute this Agreement and thereby bind the Corporation, and who is personally known to me OR has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, State of \_\_\_\_\_

(Stamp)

# **EXHIBIT “A”**

## **SCOPE OF WORK**

### **ARTICLE 1 – BASIC SERVICES OF CONSULTANT**

#### **1.1 General**

1.1.1 The Consultant agrees to provide to the Authority professional municipal advisory services pursuant to this Agreement and specific task assignments as requested and approved by the Authority. These services will include serving as the Authority’s municipal advisor for different public utility projects/programs; providing consultation and advice therefor; and furnishing required financial, planning, and management consulting, and other incidentals thereto.

1.1.2 The projects under which work may be assigned to the Consultant under this Agreement include, but are not be limited to:

1.1.2.1 Assistance to the Authority in the development and implementation of investment policy and review of banking relationships, financing plans to secure funds or refund existing financings from any and all available sources, including banks, capital markets, state, federal and other sources for the funding of necessary capital improvements associated with the water, wastewater, and reuse utility systems for the Authority.

1.1.2.2 Provide analyses of the Authority’s needs and comparative studies of prospective utility issues and solutions.

1.1.2.3 Provide general and economic analyses of the Authority’s requirements applicable to various alternatives.

1.1.2.4 Prepare reports with appropriate exhibits to indicate clearly the considerations and analyses involved and any alternative solutions available to the Authority and setting forth the Consultant’s findings and recommendations.

1.1.2.5 Furnish copies of the reports, as necessary, and review them with the Authority, including presentations to the Authority’s Board and other interested parties, if necessary.

1.1.2.6 After acceptance by the Authority of the reports, including any specific modifications or changes in the general scope, extent or character of the Project desired by the Authority, the Consultant shall assist with the implementation, as necessary, of any recommendations.

#### **1.2 Description of the Consulting Services**

The following is a summary of the services to be provided by the Consultant, if requested pursuant to the terms of this Agreement. The list of services to be performed by the Consultant includes, but is not limited to, the following:

1.2.1 Assign competent personnel to provide all services and perform all work in connection with any financing(s) and be available for consultation with the Board and staff at all reasonable times.

1.2.2 Assemble, review and analyze available data and information which may pertain to any financing(s) which are under consideration or planned by the Authority.

1.2.3 If requested, prepare and submit to the Authority written reports containing information, data and analysis requested by the Authority, which may include but not be limited to: 1) review of the proposed methods of financing, including sources and amounts of revenue required for debt amortization; and 2) recommendations as to proposed debt payment schedules, type of debt, security pledges for a financing, redemption provisions, reserve amounts, application of revenues and other details relating to the obligations to be issued by the Authority, including but not limited to the use of variable rate instruments, hedges, swaps, and other related derivative financial products appropriate under the particular circumstance of the issue.

1.2.4 Discuss the contents of any reports with the Authority Board and staff prepared or utilized by the Consultant relating to an issue and make such necessary revisions as shall be required.

1.2.5 Prepare and submit for consideration and revision or approval by the Authority a financing plan for debt issuance.

1.2.6 Upon approval by the Authority of a financing plan, the Consultant assist and work with staff and the Authority's bond counsel, consultant, underwriter(s) and other counsel in the preparation of resolutions and all documents required for the authorization and issuance of the financing and related obligations, including but not limited to final certifications and legal opinions at time of delivery of any obligations.

1.2.7 Assist in the solicitation of proposals and bids for services of other advisors, consultants and institutions needed or appropriate for development of a financing, including but not limited to the selection for paying agent, registrar, escrow agent and trustee and establishing guidelines for investment of bond proceeds and sinking fund monies.

1.2.8 Assist the Authority at time of sale of the obligations in negotiations with underwriter(s)/lender(s) relating to the underwriting spread, interest rates, redemption features and other terms to be included in any purchase agreements between the Authority and the underwriter(s)/lender(s).

1.2.9 Assist and participate in any presentations to the rating agencies, credit facility providers and any recurring surveillance by outside agencies to assure the best possible credit ratings.

1.2.10 Assist in the development and/or review of investment, debt and swap policies for the Authority.

1.2.11 Develop financing vehicles for financing of capital improvements as required by the Authority.

1.2.12 Performance of financial evaluations and activities related to the acquisition of utility systems or service areas.

1.2.13 Assist in arbitrage requirements with the Authority's bond counsel and arbitrage rebate

consultants.

1.2.14 Assist the Authority in streamlining banking relationship and consolidation of bank accounts, as needed.

## **ARTICLE 2 – ADDITIONAL SERVICES OF CONSULTANT**

### **2.1 Services Requiring Authorization in Advance.**

2.1.1 Services resulting from significant changes in the general scope, extent or character of the project or its design including, but not limited to, changes in size, complexity, the Authority's schedule, method of financing and revising previously accepted studies, reports or contract documents when such revisions are required by changes in laws, rules, regulations, ordinances, codes or orders enacted subsequent to the preparation of such studies, reports or documents, or are due to any other causes beyond the Consultant's control.

2.1.2 Services during out-of-town travel required of the Consultant other than visits to the site of the Authority's office as required by Section 1.

2.1.3 Preparing to service or serving as a consultant or witness for the Authority in any litigation, arbitration or other legal or administrative proceeding.

2.1.4 Additional services in connection with a project, including services which are to be furnished by the Authority in accordance with Article 1, and services not otherwise provided for in this Agreement.



## **EXHIBIT “B” FEE SCHEDULE**

1.                   **Retainer Fee:** \$1,350/month; invoiced on the first day of each month.  
Retainer will apply toward day-to-day needs of staff, including but not limited to assisting with capital needs analysis, CAFR draft reviews, capital and operating budget review, investment and swap agreement review, attendance at staff and/or Board meetings; and
2.                   **Hourly Fee:**   \$ 240/hour – senior  
                      \$ 160/hour – analyst/associate  
                      \$ 95/hour – other staff  
Hourly charges will be for specific authorized projects including issuance of debt preceding adoption of Board Resolution authorizing debt; and
3.                   **Negotiated/Competitive Public or Private Sale** (Plus Retainer): \$0.65/  
\$1,000.  
Capped at \$80,000; minimum \$18,500. Contingent Fee applicable upon any Board authorized transactions resulting in obligations issued by TWA.
4.                   **Expenses:**                                   Actual costs.

**EXHIBIT “C”**  
**INDEPENDENT REGISTERED MUNICIPAL ADVISOR**  
**DISCLOSURE CERTIFICATE**  
**July 1, 2016**

To all potential underwriters and placement agents:

**Tohopekaliga Water Authority** recognizes that the Securities and Exchange Commission (“SEC”) has issued rules pertaining to the registration of municipal advisors (the “Municipal Advisor Rule”) effective July 1, 2014. The Municipal Advisor Rule, in general, provides that any person or entity that provides advice to us related to the issuance of municipal securities and municipal financial products that are particularized to our specific needs will be our Municipal Advisor and owe us a fiduciary duty.

We hereby disclose our desire and intent to continue to seek advice (recommendations) from interested parties on the issuance of municipal financial products that are particularized to our specific needs. We further acknowledge to you that Southeastern Investment Securities, LLC (“SIS”) serves as our independent registered municipal advisor (“IRMA”), and that we are represented by and will rely upon the advice (recommendations) of SIS as our general Municipal Advisor. As our Municipal Advisor, SIS will assist us in evaluating any advice (recommendations) made by underwriters or placement agents, including any advice you bring to our attention. We further are informing you that SIS has agreed to be our IRMA on any transactions that we participate in as an issuer and SIS is aware that we rely on their advice.

Accordingly, we hereby further acknowledge and agree that any underwriter or placement agent providing advice (recommendations) to us pursuant to the IRMA Exemption will NOT be our Municipal Advisor and will NOT be subject to a fiduciary duty to us.

This certificate may be relied upon until July 1, 2017 or otherwise withdrawn by us. You may contact the following individual at SIS in connection with this Disclosure Certificate:  
Richard T. Wagner, President Southeastern Investment Securities, LLC  
[rtwagner@myflfa.net](mailto:rtwagner@myflfa.net)  
(407)647-1000

# **EXHIBIT “D”**

## **REGULATORY AFFIRMATION OF MUNICIPAL ADVISORY AGREEMENT**

Southeastern Investment Securities, LLC (“SIS”), currently is engaged by Tohopekaliga Water Authority (the “Issuer”) to serve as its municipal advisor or consultant (hereinafter referred to as (“Municipal Advisor” or “Consultant”) under that certain Municipal Advisor Services Agreement dated September 14, 2016 (the “Existing Municipal Advisory Agreement”). As of June 23, 2016, pursuant to Rule G-42 of the Municipal Securities Rulemaking Board (“MSRB”), all municipal advisors are required to evidence their municipal advisory relationships with their municipal entities by means of one or more written documents delivered to the Issuer, which documentation will be required to include certain specific terms, disclosures and other items of information. This Regulatory Affirmation of Municipal Advisory Agreement (this “Affirmation”), together with the Existing Municipal Advisory Agreement and the accompanying disclosures, shall serve as the required written documentation of our municipal advisory relationship as required under MSRB Rule G-42.

To that end, this Affirmation reaffirms the following matters as set forth in the Existing Municipal Advisory Agreement in connection with certain duties as described in the Scope of Services (the “Transaction”):

### ***1. Scope of Services.***

(a) The scope of services with respect to SIS’s engagement with the Issuer is as provided in the Existing Municipal Advisory Agreement (the “Municipal Advisory Services”). For purposes of this Affirmation, such Municipal Advisory Services, together with any services to be provided by SIS as the Issuer’s Independent Registered Municipal Advisor (“IRMA”) as described in clause (b) below, is referred to as the “Scope of Services.” To the extent that the services to be provided under the Existing Municipal Advisory Agreement include any services by SIS or its affiliates that do not constitute municipal advisory activities for purposes of MSRB Rule G-42(f)(iv), such services will continue to be governed by the Existing Municipal Advisory Agreement but will not be subject to provisions of MSRB Rule G-42 and are not viewed as Municipal Advisory Services for purposes of this Affirmation.

(b) IRMA within the Scope of Municipal Advisory Services. If the Issuer has designated SIS as its IRMA for purposes of Securities and Exchange Commission (“SEC”) Rule 15Ba1-1(d)(3)(vi) (the “IRMA Exemption”), SIS will treat such role as IRMA as within the scope of Municipal Advisory Services. Unless the Existing Municipal Advisory Agreement otherwise provides, SIS will provide advice with regard to any recommendation made by a third party relying on the IRMA Exemption only if the Issuer provides to SIS written direction to provide advice with regard to such third-party recommendation as well as any information it has received from such third party, and SIS may communicate with such third party as necessary or appropriate in order for SIS to have the information it needs to provide informed advice to the Issuer with regard to such recommendation. Unless the Existing Municipal Advisory Agreement otherwise provides, SIS will provide to the Issuer recommendations it receives directly from any third party but will not be required to provide advice to the Issuer with regard to any such recommendation unless the Issuer has provided to SIS written direction to do so.

IRMA Outside the Scope of Municipal Advisory Services. If SIS has been designated as IRMA for any aspects of the issuance of municipal securities or municipal financial products outside the scope of the Municipal Advisory Services, unrelated to the Transaction and therefore separate and distinct from Municipal Advisory Services under the Existing Municipal Advisory Agreement, SIS views its duties as being strictly limited to the provision of advice to the Issuer with regard to such third-party recommendations on any aspects of the issuance of municipal securities or municipal financial products. SIS will provide to the Issuer such recommendations it receives directly from any third party but will not be required to provide advice to the Issuer with regard to any such recommendations unless the Issuer has provided to SIS written direction to do so.

Furthermore, SIS is of the view that the provision of advice by SIS to the Issuer with respect to matters involving third-party recommendations outside the scope of the Municipal Advisory Services shall not result in a change in scope of the Municipal Advisory Services. By way of example, if SIS serves as municipal advisor for an issuance of municipal securities within the scope of Municipal Advisory Services but is asked to review a recommendation made by a third party with respect to a different issuance of municipal securities not within the scope of Municipal Advisory Services, any advice with respect to such review would not, by itself, cause such other issuance to come within the scope of Municipal Advisory Services, and SIS would not be obligated to undertake any of the services within the scope of Municipal Advisory Services with regard to such issuance unless such scope of Municipal Advisory Services under the Existing Municipal Advisory Agreement is amended by the Issuer and SIS.

Independence. Notwithstanding SIS's status as an IRMA, SIS is not responsible for ensuring that it is independent, within the meaning of the IRMA Exemption as interpreted by the SEC, from another party wishing to rely on the exemption from the definition of municipal advisor afforded under the IRMA Exemption or for otherwise ensuring that any such party not be treated as a municipal advisor for purposes of Section 15B of the Securities Exchange Act or any SEC or MSRB rule thereunder. In particular, it shall be the responsibility of such other party to make its own determination of independence and SIS shall not be required to make any personnel changes to allow such party to qualify for the IRMA Exemption.

Except as may be otherwise expressly provided in writing by SIS, no recommendation by a third party shall be deemed to be a recommendation by SIS, and the failure by SIS to specifically address any aspect of a third-party recommendation shall not be viewed as SIS having implicitly accepted or approved such aspect of the recommendation or otherwise having adopted the recommendation or any aspect thereof as its own recommendation. Furthermore, to the extent the Issuer does not seek to have SIS provide advice with regard to any recommendation made by a third party relying on the IRMA Exemption, SIS is not be required to provide any advice with regard to such recommendation notwithstanding any information it may have received from such third party. SIS will rely on the absence of the Issuer's written direction to provide advice with regard to a third-party recommendation as indicative that the Issuer does not seek to have SIS provide such advice.

SIS requests that the Issuer provide to it, for review, any written representation of the Issuer contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) that references SIS, its personnel and its role as IRMA.

- (c) If and to the extent within the Scope of Services, SIS is called upon, from time to

time:

(i) to make recommendations to the Issuer or to review recommendations made by others to the Issuer, and in connection therewith to determine whether such recommendations are suitable for the Issuer, in order to fulfill its duties with respect to such recommendations and any associated suitability determinations, SIS will be required under MSRB Rule G-42 to make reasonable inquiries of the Issuer as to the relevant facts. Such facts include, at a minimum, information regarding the Issuer's financial situation and needs, objectives, tax status, risk tolerance, liquidity needs, experience with municipal securities transactions or municipal financial products generally or of the type and complexity being recommended, financial capacity to withstand changes in market conditions during the term of the municipal financial product or the period that municipal securities to be issued in the municipal securities transaction are reasonably expected to be outstanding, and any other material information known by SIS about the Issuer and the municipal securities transaction or municipal financial product. In addition, SIS will be required to use reasonable diligence to know the essential facts about the Issuer and the authority of each person acting on behalf of the Issuer so as to effectively service SIS's municipal advisory relationship with the Issuer, to act in accordance with any special directions from the Issuer, to understand the authority of each person acting on behalf of the Issuer, and to comply with applicable laws, regulations and rules.

Accordingly, the Issuer will be expected to provide accurate and complete information reasonably designed to permit SIS to fulfill its responsibilities under MSRB Rule G-42 in connection with any such recommendations and suitability determinations and to provide to SIS reasonable access to relevant documents and personnel in connection with its required investigation to determine that any recommendations are not based on materially inaccurate or incomplete information. By confirming receipt of this Affirmation, the Issuer acknowledges that SIS may not be able to make requested recommendations or suitability determinations if it is not provided access to such information and that the Issuer shall be estopped from claiming a violation of SIS's fiduciary duty to the Issuer in connection with a recommendation or suitability determination made by SIS based on materially inaccurate or incomplete information provided by the Issuer.

SIS notes that the Issuer is not required to act in accordance with any advice or recommendation provided by SIS to the Issuer. Therefore, upon providing such advice or recommendation to the Issuer, together with the basis for such advice or recommendation, SIS will have discharged its duties with regard to such advice or recommendation and shall not be liable for any financial or other damages resulting from the Issuer's election not to act in accordance with such advice or recommendation. By confirming receipt of this Affirmation, the Issuer acknowledges that it shall be estopped from claiming a violation of SIS's fiduciary duty to the Issuer as a result of its election not to act in accordance with any advice or recommendation by SIS, including but not limited to any claim that SIS should have taken steps, in addition to providing its advice or recommendation together with the basis therefor, to cause the Issuer to follow its advice or recommendation.

(ii) to assist the Issuer in the preparation of its official statement in connection with the issuance of municipal securities, the Issuer will be expected to provide accurate and complete information to SIS reasonably designed to permit SIS to fulfill its responsibility under MSRB Rule G-42 to have a reasonable basis for any information SIS provides about the Issuer, its financial condition, its operational status and its



municipal securities in connection with the preparation of the official statement. By confirming receipt of this Affirmation, the Issuer acknowledges that SIS will rely on any information provided to it by the Issuer for purposes of this paragraph.

(iii) to make representations and certifications with regard to certain aspects of matters pertaining to the Issuer, its municipal securities or municipal financial products arising as part of the Municipal Advisory Services to be provided pursuant to the Existing Municipal Advisory Agreement, the Issuer will be expected to provide accurate and complete information to SIS as may be reasonably necessary or otherwise helpful to SIS in fulfilling its responsibility under MSRB Rule G-42 to have a reasonable basis for any representations, other than representations by SIS regarding itself, made in a certificate signed by SIS that may be relied upon by the Issuer, any other party involved in any matter arising as part of the Municipal Advisory Services, or investors in the Issuer's municipal securities. By confirming receipt of this Affirmation, the Issuer acknowledges that SIS will rely on any information provided to it by the Issuer for purposes of this paragraph.

(d) The Scope of Services with respect to SIS's engagement as municipal advisor is limited solely as provided in the Existing Municipal Advisory Agreement and as described herein. By confirming receipt of this Affirmation, the Issuer acknowledges that SIS serves as municipal advisor to the Issuer only with respect to the matters, and with respect to specific aspects of matters, within the Scope of Services, and that SIS is not a municipal advisor to the Issuer with respect to matters expressly excluded from, or not within, the Scope of Services. Without limiting the generality of the preceding sentence, the parties hereto agree that SIS's service as municipal advisor for one issuance of municipal securities would not result in SIS being a municipal advisor to the Issuer for any other issuances of municipal securities if such other issuances are not within the Scope of Services. It is expressly understood that SIS shall be municipal advisor with respect to a particular issuance of municipal securities or a particular municipal financial product beginning on the earlier of (a) the date on which SIS is assigned to serve or is otherwise put on notice by the Issuer that it will serve as municipal advisor for such particular matter or (b) the date on which SIS first provides advice to the Issuer with respect to such particular matter, and it is further understood that SIS shall not be deemed to be a municipal advisor to the Issuer with respect to any such particular matter prior to such date merely due to the fact that the matter falls within the general description of the Scope of Services.

**2. Term and Termination.** The term of SIS's engagement as municipal advisor to the Issuer, and the terms on which the engagement may be terminated, is as provided in the Existing Municipal Advisory Agreement.

**3. Form and Basis of Compensation.** The form and basis of compensation for SIS's services as municipal advisor to the issuer are as provided in the Existing Municipal Advisory Agreement. By confirming receipt of this Affirmation, the Issuer acknowledges that it has agreed to such compensation arrangements and believes that they are reasonable and not excessive. If at any time the Issuer becomes concerned that, notwithstanding its initial belief that the compensation arrangements set forth in this Agreement are reasonable, the actual amount of compensation to be paid in accordance with such arrangements for any particular matter during the course of this engagement may potentially become excessive, the Issuer is requested to immediately notify SIS in writing of its concern in that regard.

**4. Disclosure of Conflicts of Interest and Information Regarding Legal or Disciplinary Events.**

(a) By confirming receipt of this Affirmation, the Issuer acknowledges receipt of the Municipal Advisory Disclosure Statement, dated as of the date of this Affirmation (the "Disclosures"), setting forth disclosures by SIS of material conflicts of interest, if any, and of any legal or disciplinary events required to be disclosed pursuant to MSRB Rule G-42(b) and (c)(ii). The Disclosures also describe how SIS addresses or intends to manage or mitigate the disclosed conflicts of interest, as well as describing the specific type of information regarding, and the date of the last material change, if any, to, the legal and disciplinary events required to be disclosed on Forms MA and MA-I filed by SIS with the SEC.

(b) By confirming receipt of this Affirmation, the Issuer consents, for the full term of the Existing Municipal Advisory Agreement, to the electronic delivery of the Disclosures, at no cost to the Issuer, in lieu of delivery of hard copy. The Municipal Advisory Disclosure Statement may be delivered by email to the Issuer at **tohowater.com**, or at such other email address as the Issuer may hereafter provide in writing to SIS.

**5. Disclosure of Material Risks.**

(a) By confirming receipt of this Affirmation, the Issuer acknowledges receipt of the Disclosure of Material Risks (the "Risk Disclosures") setting forth disclosures by SIS of the material financial risks associated with the issuance of municipal securities or municipal financial products within the then-current Scope of Services, known to or reasonably foreseeable to SIS as of the date of this Affirmation. The Risk Disclosures may be supplemented by SIS if the financial characteristics of the financing structure materially change as the Transaction progresses.

(b) By confirming receipt of this Affirmation, the Issuer consents, for the full term of the Existing Municipal Advisory Agreement, to the electronic delivery of the Risk Disclosures, at no cost to the Issuer, in lieu of delivery of hard copy. The Municipal Advisory Disclosure Statement may be delivered by email to the Issuer as set forth above in paragraph 4(b) of this Affirmation.

**RECEIVED AND ACKNOWLEDGED:**

**Tohopekaliga Water Authority**

**Southeastern Investment Securities, LLC**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# **EXHIBIT “E”**

## **DISCLOSURE STATEMENT OF MUNICIPAL ADVISOR OR CONSULTANT**

This Disclosure Statement is provided by **Southeastern Investment Securities, LLC**, (the “Consultant”) to you (the “Authority”) in connection with our current municipal advisory agreement or service to the Authority, (“the Agreement” or “Service”). This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events of the Consultant that are required to be disclosed to Authority pursuant to MSRB Rule G-42(b) and (c)(ii).

### **PART A – Disclosures of Conflicts of Interest**

MSRB Rule G-42 requires that municipal advisors provide to their clients disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in Rule G-42, if applicable.

***Material Conflicts of Interest*** – The Consultant makes the disclosure that there are no known material conflicts of interest known to the Consultant in connection with the scope of services under the Agreement or Service. The Consultant represents the City of Kissimmee, FL as its Municipal Advisor.

### **PART B – Disclosures of Information Regarding Legal Events and Disciplinary History**

MSRB Rule G-42 requires that municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to its client’s evaluation of the municipal advisor or the integrity of the municipal advisor’s management or advisory personnel.

Accordingly, there are no legal or disciplinary events of the Consultant or the integrity of the Consultant’s management or personnel disclosed, or that should be disclosed, on any Form MA or Form MA-1 filed with the SEC.

## **PART C – Future Supplemental Disclosures**

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the Consultant. The Consultant will provide the Authority with any such supplement or amendment as it becomes available throughout the term of the Agreement.

**Dated:** September 14, 2016



**Board Meeting Date:** 9/14/2016

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**Category:** New Business

**Agenda Item:** 10B

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**Department:** Executive Office

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**Attachments:** Certification of Financial Responsibility for Local Government  
General Counsel Letter of Attestation Toward Demonstration of Financial Responsibility

**Title: APPROVAL FOR TOHO WATER AUTHORITY (TWA) TO PROVIDE CERTIFICATION OF FINANCIAL RESPONSIBILITY ON BEHALF OF THE WATER COOPERATIVE OF CENTRAL FLORIDA FOR THE CYPRESS LAKE WATER TREATMENT PLANT CONCENTRATE REJECT WELL PERMITTING**

**Summary:** The Lower Floridan Aquifer water supply for the proposed Cypress Lake wellfield to be developed by the Water Cooperative of Central Florida (Water Cooperative) is brackish requiring some form of membrane treatment similar to reverse osmosis to reduce the mineral/salt levels. Membrane treatment produces a concentrated brine waste stream for disposal. Because the Cypress Lake facility is inland, the present method for concentrate disposal is through a concentrate injection well. Typical concentrate disposal wells are permitted for injection into the "boulder zone" at a depth of up to 4,000 – 5,000 feet deep. These typical disposal wells can cost in the range of \$15 million each. The consultants for the Cypress Lake project have proposed to permit and construct the disposal wells into the lower portion of the Lower Floridan Aquifer where the water quality of the aquifer will be very similar to that of the membrane concentrate. If the concentrate disposal wells can be permitted and constructed in the lower portion of the Lower Floridan Aquifer the cost of a well could be \$5 million or one third of the cost of the deeper wells. Meetings with the Florida Department of Environmental Protection (FDEP) have indicated that the agency may be willing to permit the proposed alternative concentrate disposal well. A formal permit application has been submitted to FDEP for the construction of a concentrated disposal well in the lower portion of the Lower Floridan Aquifer.

FDEP has issued a Request for Additional Information (RAI) after an initial review of the permit application. One of the items requested in the RAI and required for the permit to be issued is a "demonstration of financial responsibility" by the applicant for the potential future plugging and abandonment of each injection well. An injection well may be abandoned after permitting and construction due to a number of reasons. The injection zone in the lower portion of the aquifer may be unacceptable, the well may reach its disposal capacity at some future date, another means of concentrate disposal may be developed, or the water treatment facility may be abandoned at some future date. These are just some of the reasons a well could be abandoned in the future. FDEP wants to have a formal commitment supported by financial documentation that the permittee has the financial capacity to properly abandon and plug each disposal well. The estimated cost of the well abandonment is approximately \$152,000. Three



**Category:** New Business

**Agenda Item: 10B**

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disposal wells are proposed for the water treatment facility; therefore, the total demonstration of financial responsibility would cover a potential cost of \$456,000.

Staff is requesting that the Board authorize providing the demonstration of financial responsibility by TWA on behalf of the Water Cooperative for the RAI response so that permitting can proceed without significant delay. The members of the Water Cooperative and Reedy Creek Improvement District (RCID) are developing an amendment to the existing Interlocal agreement for the Cypress Lake project which will provide for the cost sharing for the construction of the initial concentrate disposal well following the permit issuance to demonstrated performance and permit compliance. That agreement will also include a joint commitment by each of the partners to share the financial responsibility for the well abandonment costs. This Interlocal agreement can be substituted for the TWA demonstration of financial responsibility once it is approved and executed by the parties.

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**Total Costs:**

Approval does not require the expenditure of any funds at this time. The approval commits TWA to a potential future expenditure of up to \$456,000.

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**Recommended Action:**

Staff recommends approval for TWA to provide certification of financial responsibility on behalf of the Water Cooperative for the Cypress Lake concentrated disposal well permitting.

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Initials: blw

**CERTIFICATION OF FINANCIAL RESPONSIBILITY FOR LOCAL GOVERNMENT**

**Tohopekaliga Water Authority**

\_\_\_\_\_, a unit of local government of the State of Florida, hereby certifies that it has unconditionally obligated itself to have the financial resources necessary to close, plug, and abandon its underground injection well(s) and related monitoring wells, as required by Chapter 62-528, Florida Administrative Code. It is further understood that the cost estimate to conduct plugging and abandonment, established on July 27, 2016, shall be updated thirty (30) months after the date of permit issuance and this obligation shall incorporate accumulated inflation costs. An increase exceeding 10 percent compared with the amount stated below shall require submission of an updated certification form.

Injection Wells and Monitoring Wells Covered By This Agreement:  
(attach additional sheet if necessary)

Facility Name: Cypress Lake AWS WTP  
Facility Address: Not established at this time  
Facility Contact: Brian Wheeler, Executive Director  
Phone Number: 407-944-5131  
Latitude/Longitude of Injection Well(s): See Attachment  
Current Permit Number: DEP Application No. 0345378-001-003-UC/50  
Current Plugging and Abandonment Cost Estimate: \$456,000  
(total for all injection and monitoring wells)

It is hereby understood that the cancellation of this certification may not take place without the prior written consent of the Secretary of the Florida Department of Environmental Protection.

NOTARY: See Next Page

\_\_\_\_\_  
(Signature)

**Brian Wheeler**

\_\_\_\_\_  
(Print Name)

**Executive Director**

\_\_\_\_\_  
(Title)

**August 30, 2016**

\_\_\_\_\_  
(Date)

**Notary Form**

State of Florida

County of: \_\_\_\_\_

Sworn to (or affirmed) and subscribed before me this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

by \_\_\_\_\_,  
(Name of person making statement)

☐ Personally known to me

OR

☐ Produced the following identification \_\_\_\_\_

\_\_\_\_\_  
Notary Signature

\_\_\_\_\_  
Print, Type, or Stamp Commissioned Name of Notary Public

Apply Seal of Notary Public below - State of Florida

**MARK G. LAWSON, P.A.**

*P.O. Box 14043*

*Tallahassee, Florida 32317-4043*

*Facsimile (850) 807-2987*

*Mark G. Lawson*

*Board-Certified in City, County and Local Government Law*

*Telephone (850) 591-5630*

*Email: [MLawson@MarkGLawson.com](mailto:MLawson@MarkGLawson.com)*

*James C. Dinkins*

*James C. Dinkins, P.A., Of Counsel*

*Telephone (239) 810-2682*

*Email: [JDinkins@MarkGLawson.com](mailto:JDinkins@MarkGLawson.com)*

Joseph Haberfeld  
Environmental Administrator  
Florida Department of Environmental Protection  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400  
[Joe.Haberfeld@dep.state.fl.us](mailto:Joe.Haberfeld@dep.state.fl.us)

Brian L. Wheeler  
Executive Director  
Tohopekaliga Water Authority  
951 Martin Luther King Blvd.  
Kissimmee, Florida 34741  
[BWheeler@tohowater.com](mailto:BWheeler@tohowater.com)

August 29, 2016

Re: Tohopekaliga Water Authority; Attestation Toward Demonstration of  
Financial Responsibility, in Compliance with Rule 62-528.435(9), F.A.C.

Dear Gentlemen,

We have been asked to provide this correspondence in conjunction with the status of the Tohopekaliga Water Authority as a Florida local government.

The Tohopekaliga Water Authority is an independent special district, established and created pursuant to Chapter 189, Florida Statutes, in 2003 by special act of the Florida Legislature. *See* Ch. 2003-368, Laws of Fla. (as amended, the "Tohopekaliga Water Authority Act").

Under chapter 189, Florida Statutes, cited as the "Uniform Special District Accountability Act," and specifically section 189.012(3), Florida Statutes, the Tohopekaliga Water Authority is classified an independent special district. Such classification was confirmed with finality in *Tohopekaliga Water Authority v. State*, No. CI03OC-1588, at \*2 (Fla. 9th Cir. Ct. Sept. 10, 2003) (the "Final Judgment"),

and is also so confirmed by the Florida Department of Economic Opportunity in its Official List of Special Districts. Detailed List of All Special Districts Sorted by County, Florida Department of Economic Opportunity, *available at* <https://dca.deo.myflorida.com/fhcd/sdip/OfficialListdeo/alldistricts.cfm> (last accessed Aug. 29, 2016).

The undersigned has been duly appointed and serves as the General Counsel for the Tohopekaliga Water Authority pursuant to section 10(2) of the Tohopekaliga Water Authority Act, and served as counsel of record in the Final Judgment proceedings.

Accordingly, as requested, the undersigned as the attorney and counsel for the Tohopekaliga Water Authority attests that Tohopekaliga Water Authority is a "local governmental entity" as defined under section 218.502, Florida Statutes, and is subject to chapter 218, part V, Florida Statutes, concerning financial emergencies.

Sincerely,

**MARK G. LAWSON, P.A.**



Mark G. Lawson

*Board-Certified in City, County and Local Government Law*



# **Tohopekaliga Water Authority Osceola County, Florida**



**Monthly Financial Report  
Fiscal Year 2016  
For the month ending July 31, 2016  
(Un-audited)**

Table of Contents

<u>Title</u>	<u>Page</u>
Operating Results	.....3
Staffing Summary	.....4
Customer Statistics	.....5

**Tohopekalliga Water Authority**
**Osceola County, Florida**
*Operating Results - Combined Systems (in Thousands)*

Line	Description	YTD Budget	YTD - For the month ending July 31, 2016				
			FY 16 YTD	FY 15 YTD	Variance	Budget	% Expensed
1	<b><u>Operating Revenues:</u></b>						
2	Rate Revenues						
3	Water Sales	23,080	23,517	21,012	2,505	28,032	83.89%
4	Wastewater Sales	47,065	47,873	42,020	5,853	57,164	83.75%
5	Reclaimed Water Sales	5,817	6,062	5,287	775	7,152	84.76%
6	<b>Total Operating Revenues</b>	<b>75,962</b>	<b>77,452</b>	<b>68,319</b>	<b>9,133</b>	<b>92,348</b>	<b>83.87%</b>
7	<b><u>Other Operating Revenues:</u></b>						
8	Tap Fees	1,408	1,661	1,411	250	1,689	98.33%
9	Other Operating Revenues	2,480	2,903	2,556	347	2,976	97.54%
10	Rental Income	512	549	530	19	614	89.43%
11	<b>Total Other Operating Revenues</b>	<b>4,400</b>	<b>5,113</b>	<b>4,497</b>	<b>616</b>	<b>5,279</b>	<b>96.85%</b>
12	<b><u>Non-Operating Revenues:</u></b>						
13	Grants & Reimbursements	0	0	150	(150)	0	N/A
14	Interest Earnings	314	560	342	218	377	148.74%
15	<b>Gross Revenues</b>	<b>80,675</b>	<b>83,125</b>	<b>73,308</b>	<b>9,817</b>	<b>98,004</b>	<b>84.82%</b>
16	<b><u>Operating Expenses:</u></b>						
17	Personnel Costs	18,532	18,696	17,432	1,264	22,045	84.81%
18	Professional Services	5,145	6,308	4,101	2,207	6,183	102.02%
19	Training	420	334	243	91	494	67.61%
20	Utilities	5,095	4,825	4,922	(97)	6,114	78.92%
21	Auto Maintenance	567	664	590	74	675	98.37%
22	Other Maintenance	4,060	3,530	3,003	527	4,827	73.13%
23	Gas & Oil	670	381	507	(126)	804	47.39%
24	Other Supplies	2,820	3,180	2,994	186	3,384	93.97%
25	Chemicals	1,378	1,185	1,179	6	1,654	71.64%
26	Other Operating Costs	3,592	3,238	2,894	344	4,312	75.09%
27	Contract Operations	1,005	1,150	1,541	(391)	1,206	95.36%
28	PILOT Fee (payments in lieu of tax)	6,883	6,949	6,061	888	8,260	84.13%
29	<b>Total Operating Expenses</b>	<b>50,167</b>	<b>50,440</b>	<b>45,467</b>	<b>4,973</b>	<b>59,959</b>	<b>84.12%</b>
30	<b>Net Revenues</b>	<b>30,508</b>	<b>32,685</b>	<b>27,841</b>	<b>4,844</b>	<b>38,045</b>	<b>85.91%</b>
31	<b>Total System Development Revenues</b>	<b>15,059</b>	<b>16,963</b>	<b>13,436</b>	<b>3,527</b>	<b>18,071</b>	<b>93.87%</b>
32	<b>Total System Development Expenditures</b>	<b>28,331</b>	<b>14,442</b>	<b>5,133</b>	<b>9,309</b>	<b>33,997</b>	<b>42.48%</b>

**Tohopekaliga Water Authority**  
**Osceola County, Florida**  
*Staffing Summary - FTE*

Line	Description	Fiscal Year Ending September 30				Comments
		2015	2016	Filled	Vacant	
1	<b><u>Field Services</u></b>					
2	Administrative Support	7	7	7	0	
3	Foreman/Leads	16	15	15	0	
4	Senior Technicians	8	9	8	1	Senior Tech
5	Utility Technicians/Workers	41	43	37	6	Utility Techs/Workers
6	<b>Total Field Services</b>	72	74	67	7	
7	<b><u>Treatment Operations</u></b>					
8	Laboratory	8	8	8	0	
9	SCADA Support	6	6	6	0	
10	Support Services	7	8	7	1	Process Engineer
11	Maintenance	30	32	31	1	Electrician
12	Treatment Plant	46	45	43	2	Operators (2)
13	<b>Total Treatment Operations</b>	97	99	95	4	
14	<b><u>Engineering and Construction</u></b>					
15	Administrative Support	1.5	1.5	1.5	0	
16	Asset Management	4	4	4	0	
17	Environmental	5	5	5	0	
18	Construction Inspection	9	9	9	0	
19	Engineering	10	9	8.5	0.5	Sr Engineer Tech
20	<b>Total Engineering and Planning</b>	29.5	28.5	28	0.5	
21	<b><u>Administration</u></b>					
22	Administrative Support	1.5	1.5	1.5	0	
23	Information Services	2	2	2	0	
24	Water Conservation	3	3	2	1	Conservation Specialist
25	Senior Management	9	9	9	0	
26	<b>Total Administration</b>	15.5	15.5	14.5	1	
27	<b><u>Information Technology</u></b>					
28	Information Technology	12.5	12.5	11.5	1	GIS Analyst
29	<b>Total Information Technology</b>	12.5	12.5	11.5	1	
30	<b><u>Human Resources</u></b>					
31	Safety & Security	2	2	2	0	
32	Record's Administration	2.5	2.5	2.5	0	
33	Human Resources	4	3	3	0	
34	<b>Total Human Resources</b>	8.5	7.5	7.5	0	
35	<b><u>Office of the General Counsel</u></b>					
36	Board Attorney Staff	1.5	1.5	1.5	0	
37	<b>Total Board Attorney's Office</b>	1.5	1.5	1.5	0	
38	<b><u>Business Services</u></b>					
39	Purchasing	3	3	3	0	
40	Finance and Accounting	11.5	12	12	0	
41	<b>Total Business Services</b>	14.5	15	15	0	
42	<b><u>Customer Services</u></b>					
43	Billing & Collections	8	11	11	0	
44	Field Services	18	21	20	1	CS Field Tech
45	Customer Service	15	21	19	2	Admin Asst, CSRs (2-PT)
46	<b>Total Customer Services</b>	41	53	50	3	
47	<b>Total</b>	<b>292.0</b>	<b>306.5</b>	<b>290.0</b>	<b>16.5</b>	

Tohopekaliga Water Authority  
Osceola County, Florida  
Customer Statistics

Line	Description	For the month ending July 31, 2016	July 31, 2015	Net
		Total - All Systems	Total - All Systems	
1	<b><u>Water</u></b>			
2	Residential Services			
3	Number of Customers	91,275	83,216	8,059
4	Billed Consumption (000s)	377,796	400,493	(22,697)
6	Average monthly use per customer	4,139	4,813	(674)
7	Commerical Services			
8	Number of Customers	6,506	11,299	(4,793)
9	Billed Consumption (000s)	328,701	365,596	(36,895)
10	Average monthly use per customer	50,523	32,356	18,166
11	Irrigation Services			
12	Number of Customers	16,566	16,390	176
13	Billed Consumption (000s)	93,408	116,328	(22,920)
14	Average monthly use per customer	5,639	7,097	(1,459)
15	<b><u>Wastewater</u></b>			
16	Residential Services			
17	Number of Customers	86,054	77,344	8,710
18	Billed Consumption (000s)	349,413	363,161	(13,748)
19	Average monthly use per customer	4,060	4,695	(635)
20	Commerical Services			
21	Number of Customers	5,790	10,662	(4,872)
22	Billed Consumption (000s)	310,793	342,483	(31,690)
23	Average monthly use per customer	53,678	32,122	21,556
24	<b><u>Reclaimed Service</u></b>			
25	General Service			
26	Number of Customers	14,948	13,862	1,086
27	Billed Consumption (000s)	168,182	196,245	(28,063)
28	Average monthly use per customer	11,251	14,157	(2,906)





# **Monthly Financial Overview of Selected Financial Information**

**For the month ending  
July 31, 2016**

Period 10  
Un-audited

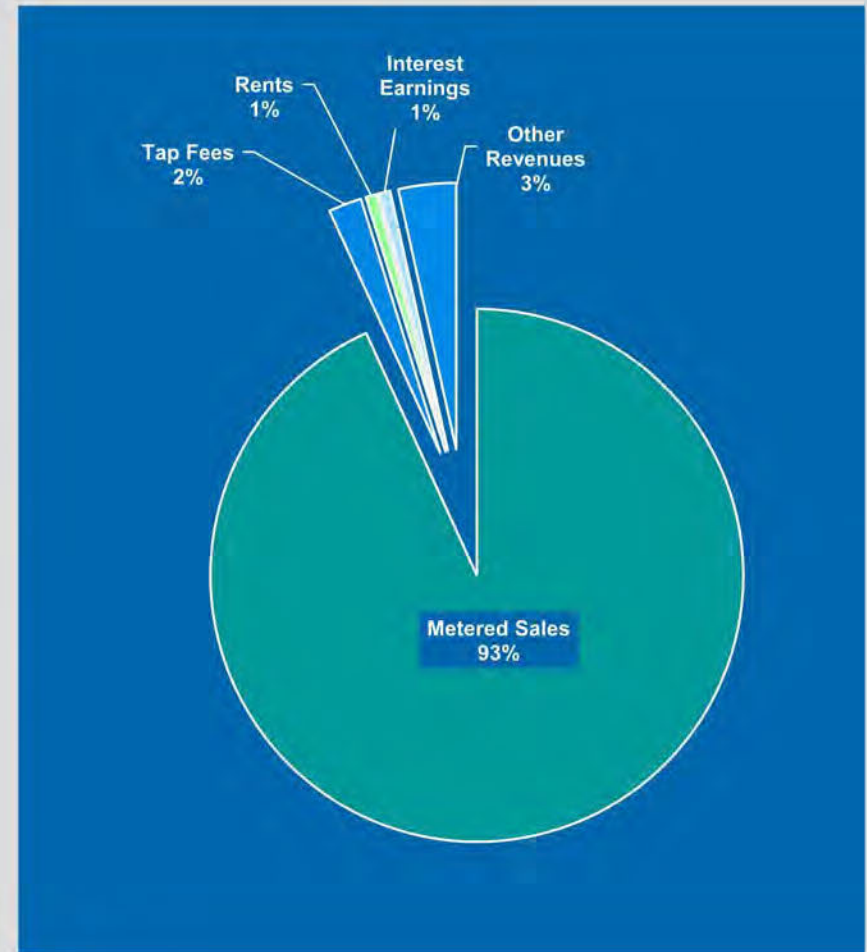
# **Fiscal Year To Date (FYTD)**

## **Revenues**

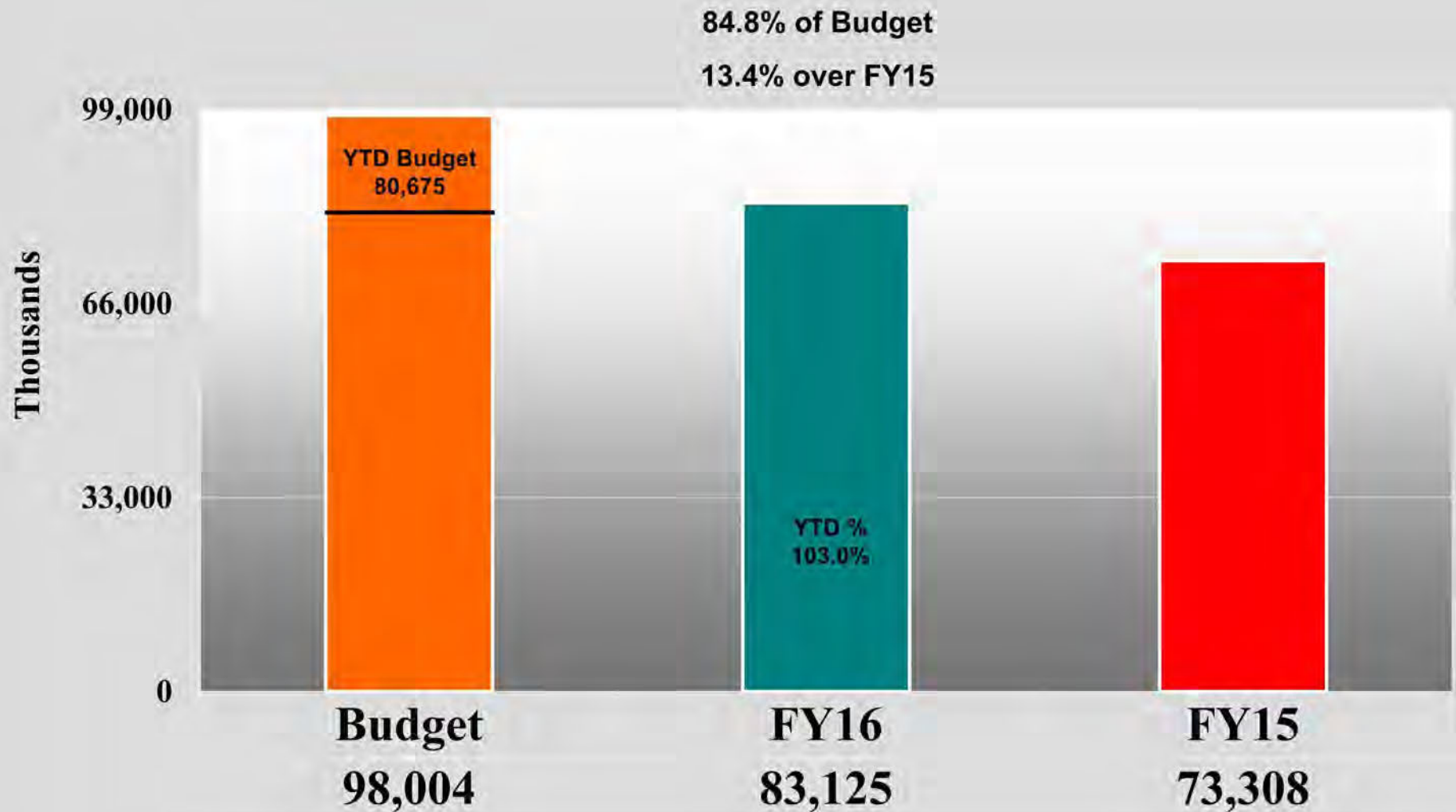
# FYTD Revenue Summary

(In thousands)

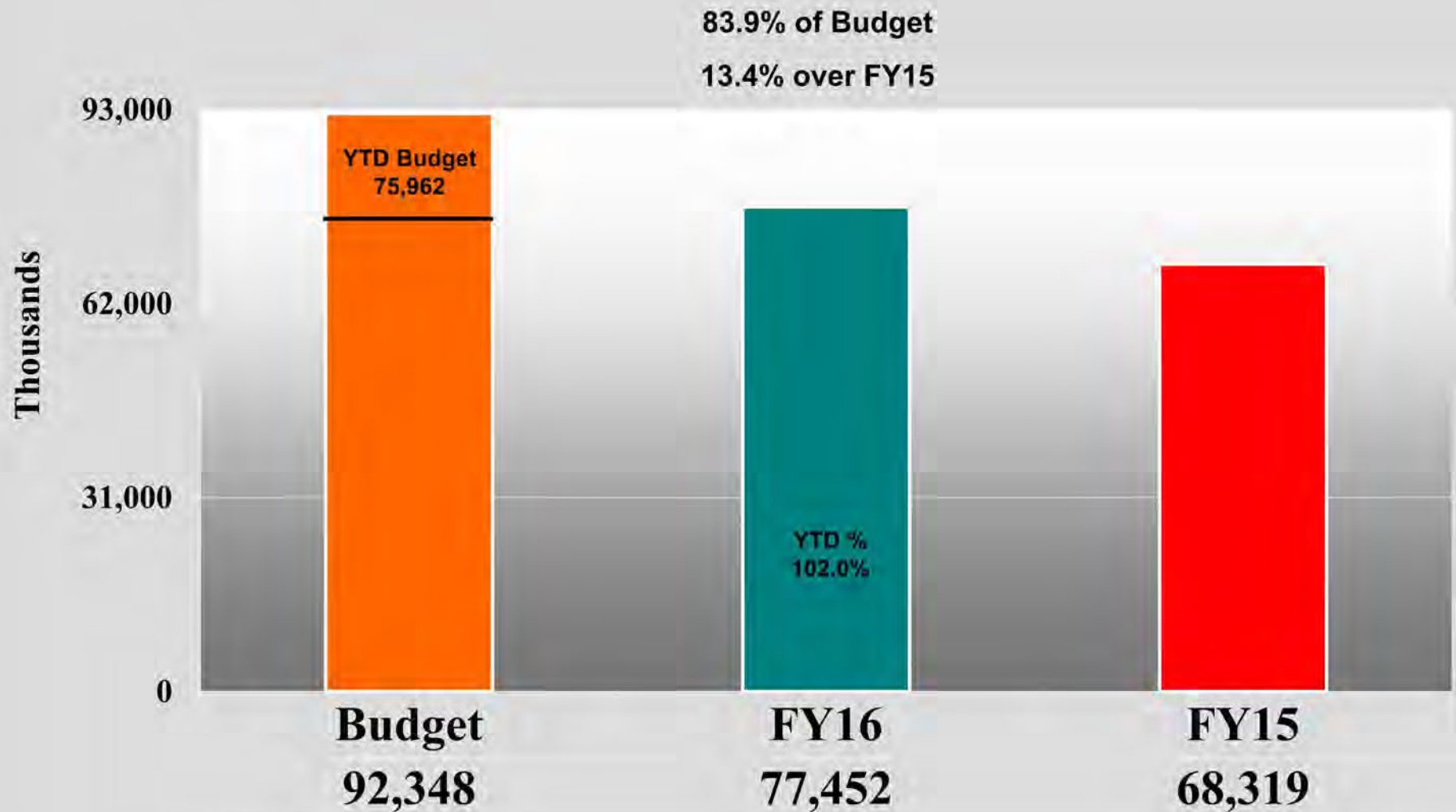
Metered Sales	\$77,452
Tap Fees	\$1,661
Rents	\$549
Interest Earnings	\$560
Other Revenues	\$2,903
<hr/>	
<b>Total Operating Revenue</b>	<b>\$83,125</b>
<hr/>	



# FYTD Revenue Comparison

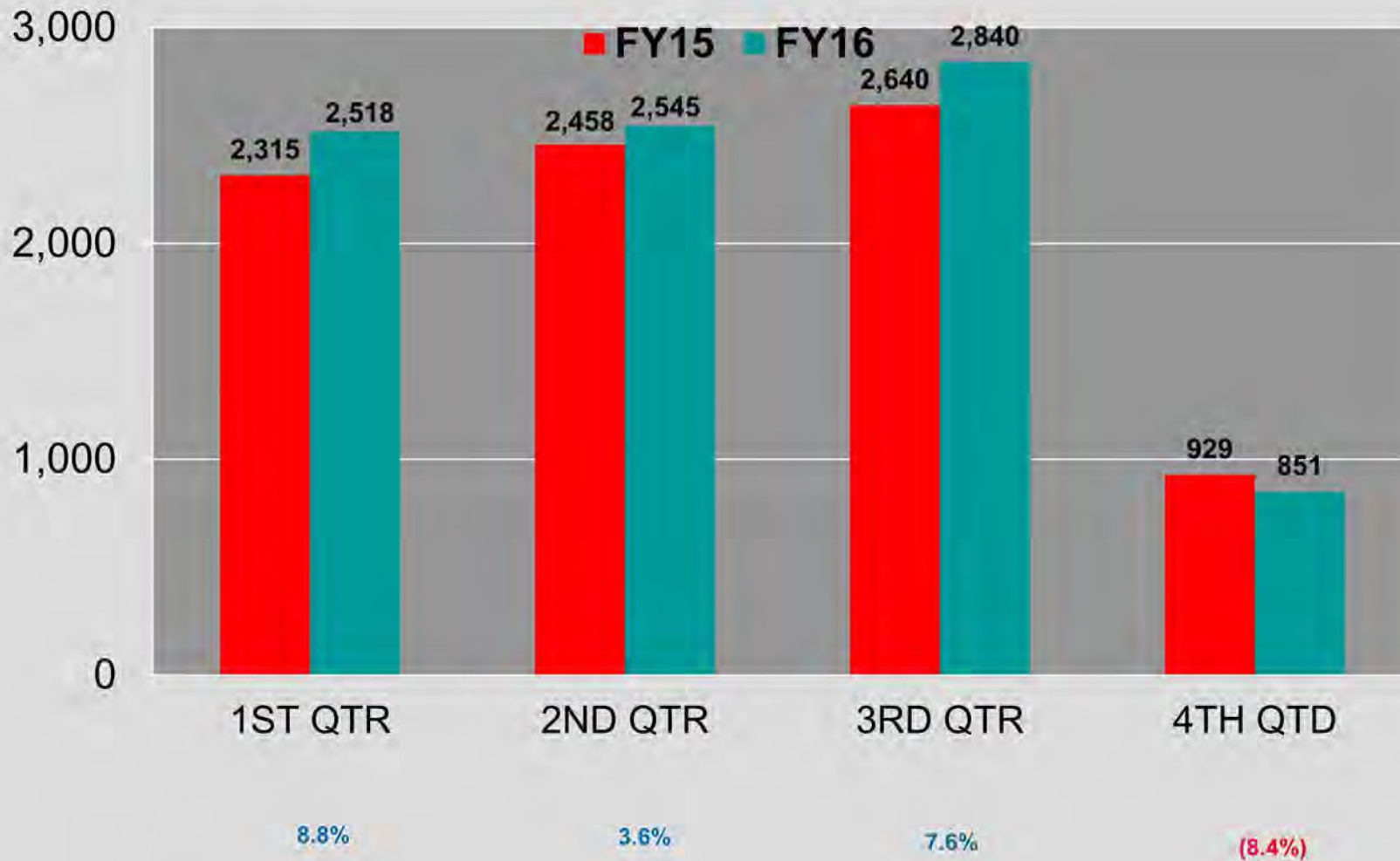


# FYTD Metered Sales Comparison





# Billed Water Usage Comparison (MG)

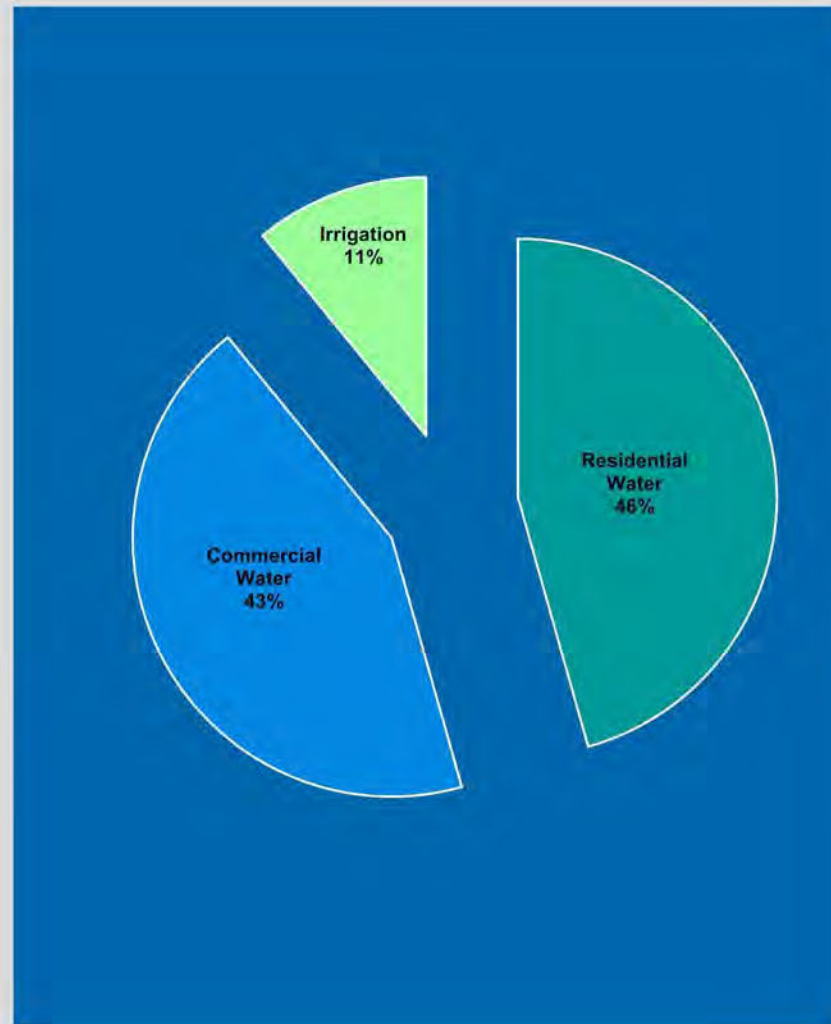


5.0% increase in water usage through 10 months

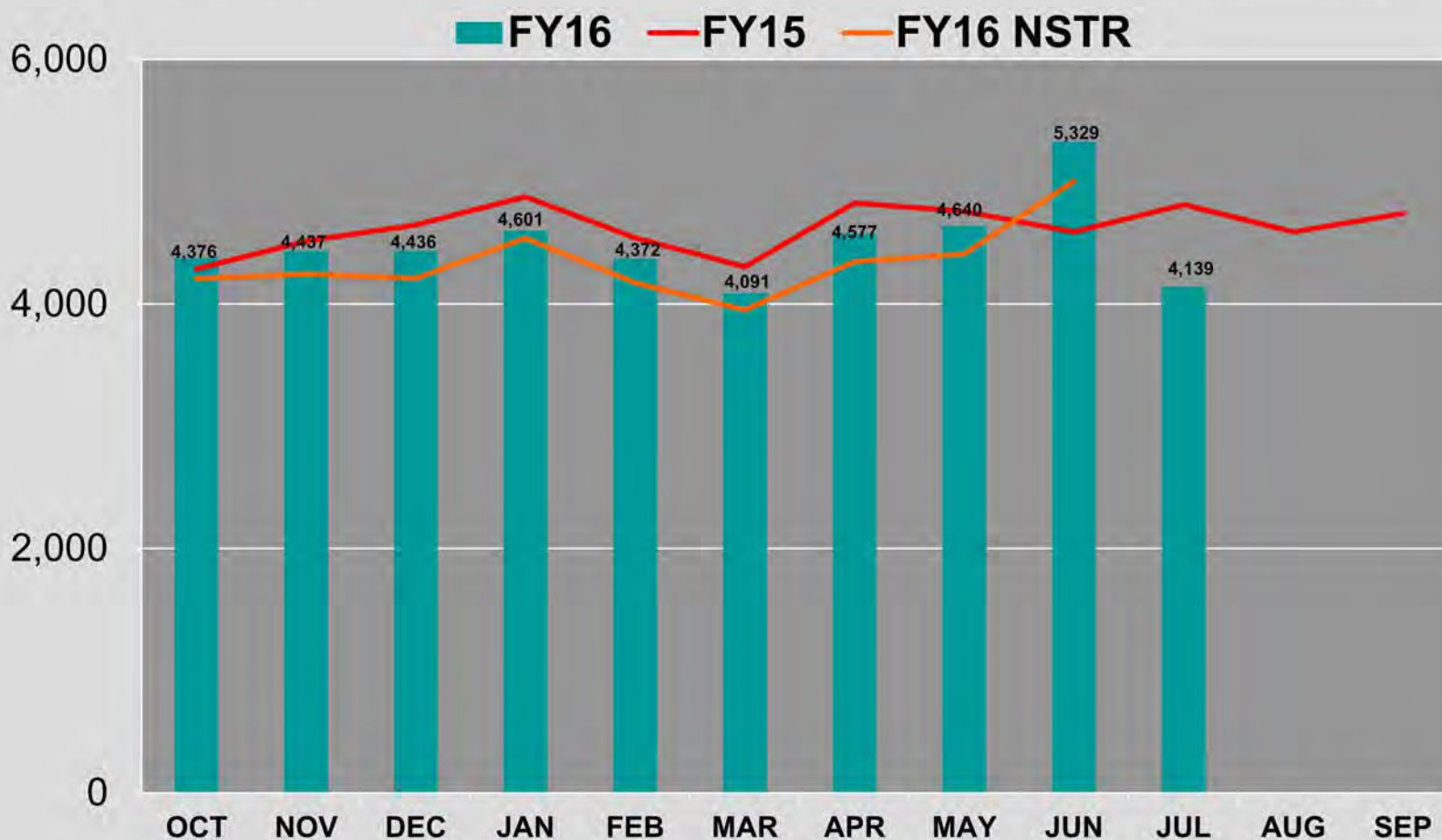
# FYTD Billed Water Comparison by Type

Service Type	FY16	FY15	% +/-
Residential Water	3,994	3,770	5.9%
Commercial Water	3,807	3,625	5.0%
Irrigation	954	947	0.7%
<b>Total</b>	<b>8,755</b>	<b>8,342</b>	<b>5.0%</b>

*Thru July - MGs*



# Residential Average Monthly Usage



2015 YTD Average - 4,616

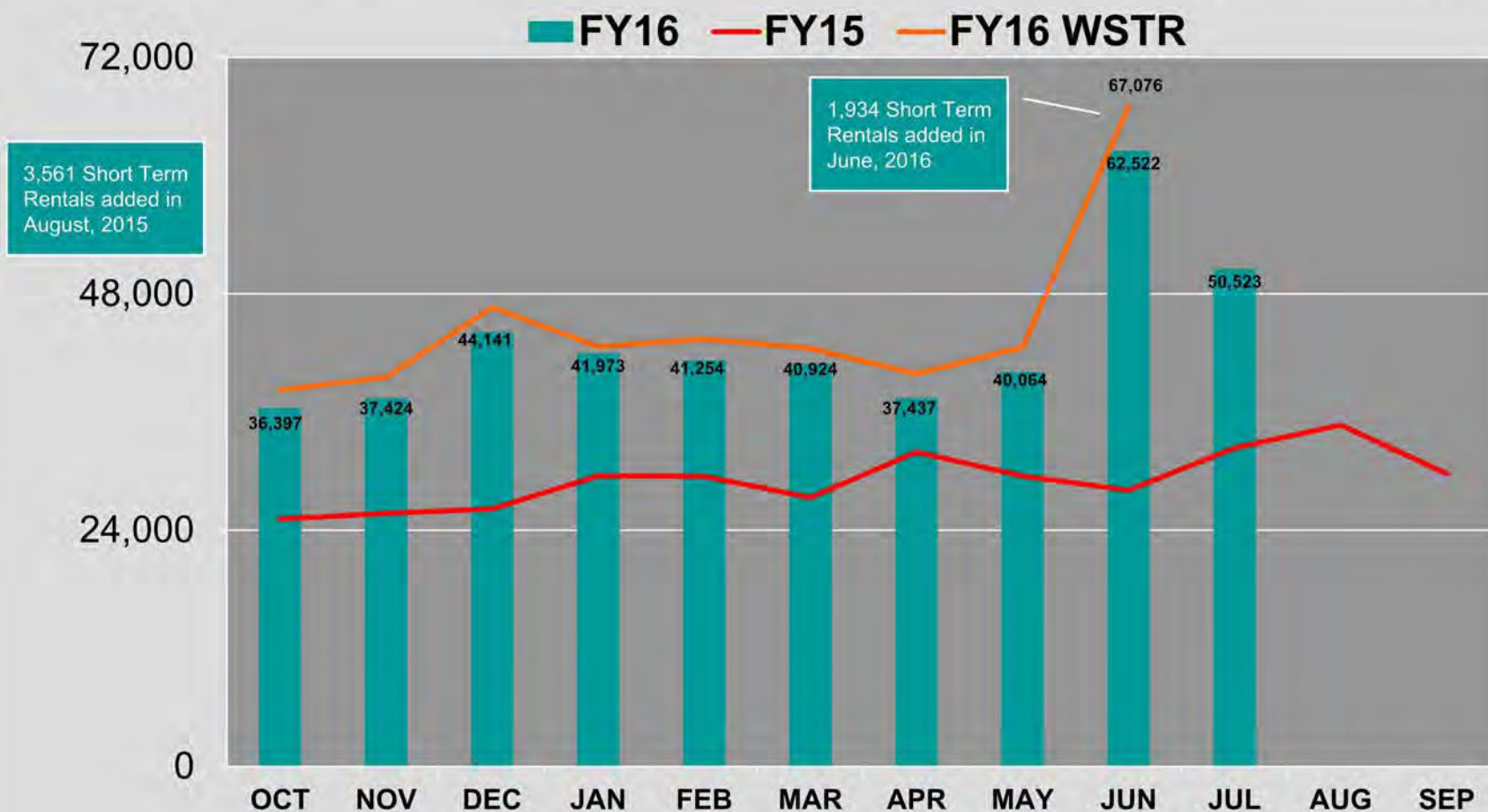
2016 YTD Average - 4,500

NSTR – No Short Term Rental Usage

Reduction of **116** Gallons per account or **2.5%** thru July

Short Term Rentals – Average monthly usage – 4,585 Oct - July

# Commercial Average Monthly Usage



2015 YTD Average – 28,521

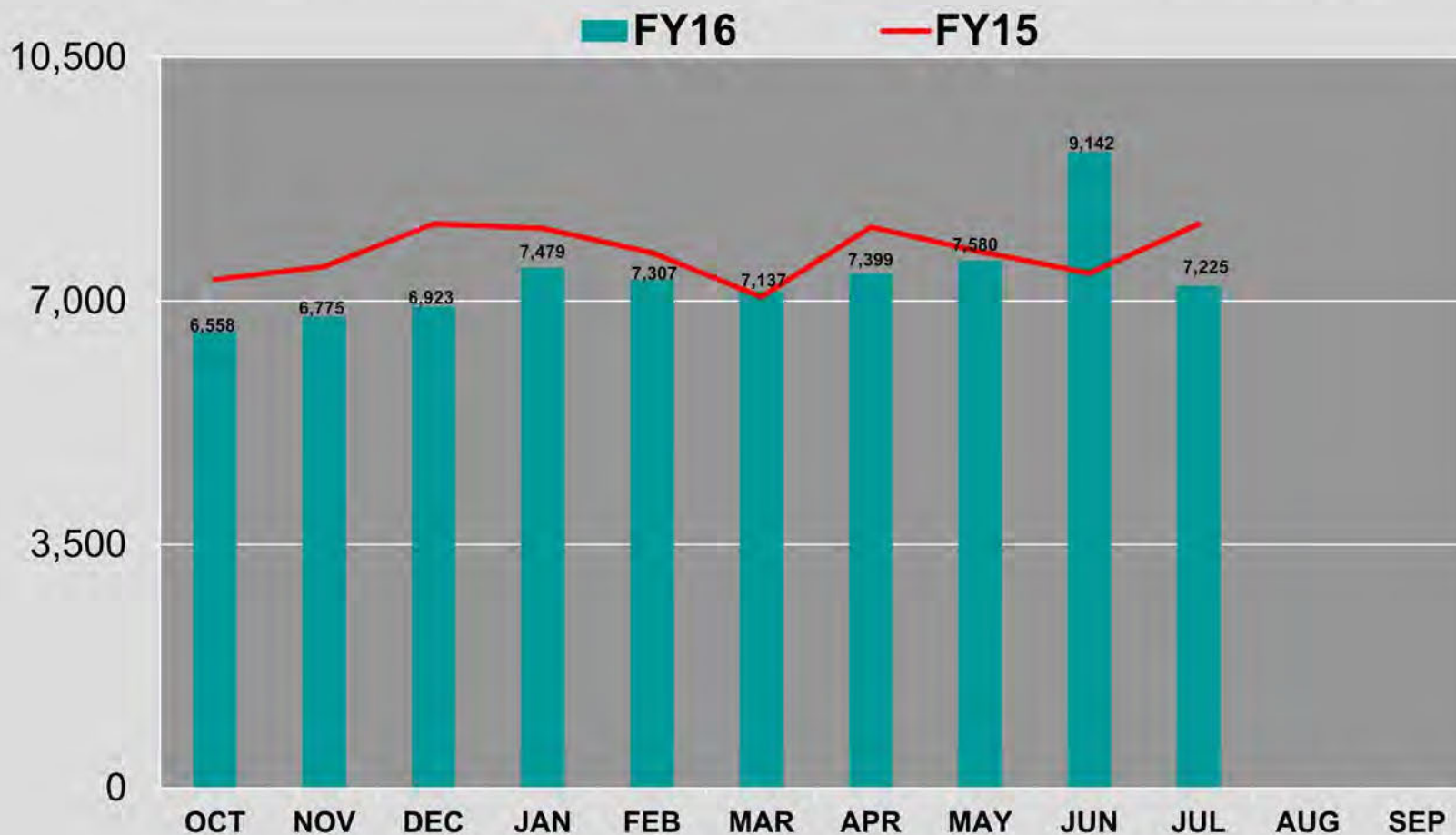
2016 YTD Average – 43,266

WSTR - With Short Term Rental Usage

\*Excluding short-term rentals (5,495 or 45%) that have been re-categorized to the residential class – Current number of commercial customers is 6,506



# Combined Average Monthly Usage



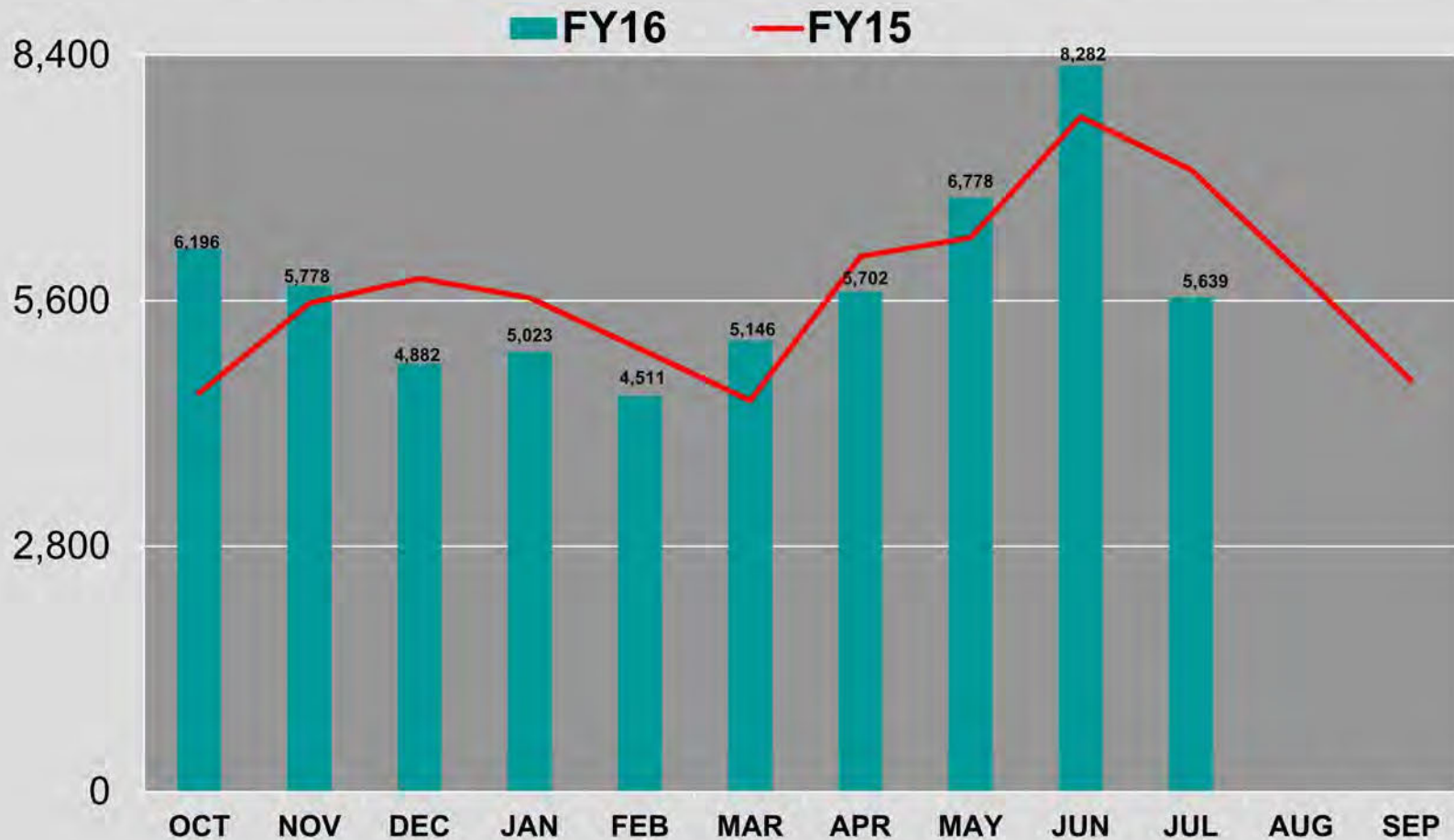
2015 YTD Average – 7,699

2016 YTD Average – 7,353

Reduction of 346 Gallons a month or 4.5% thru July



# Irrigation Average Monthly Usage

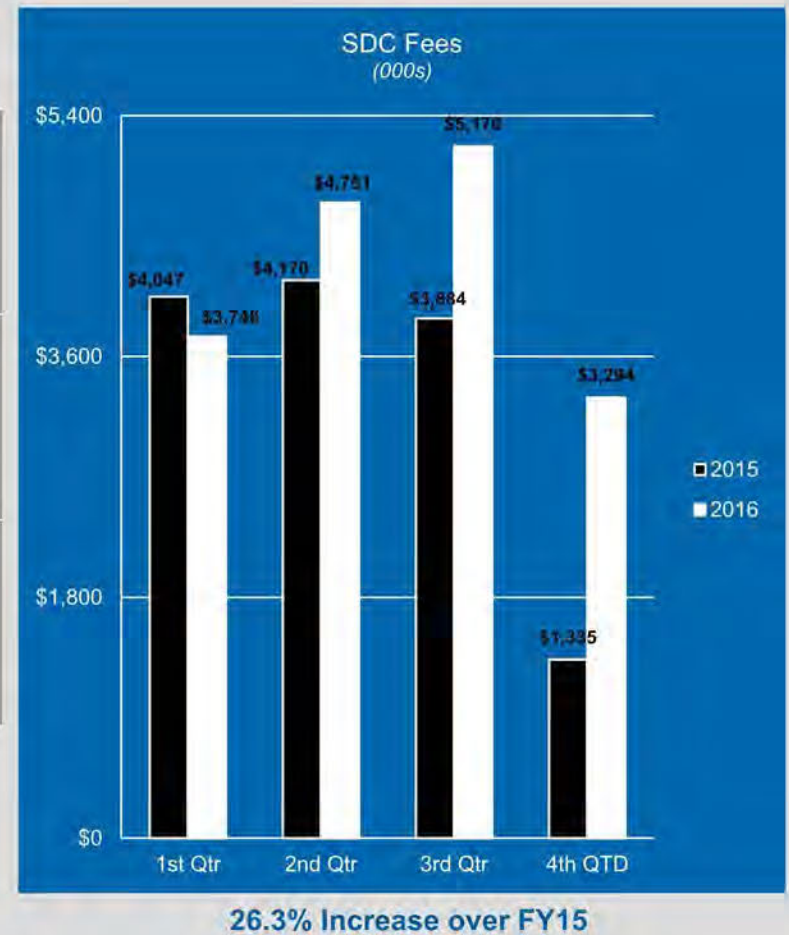


2015 Average – 5,835

2016 Average – 5,794

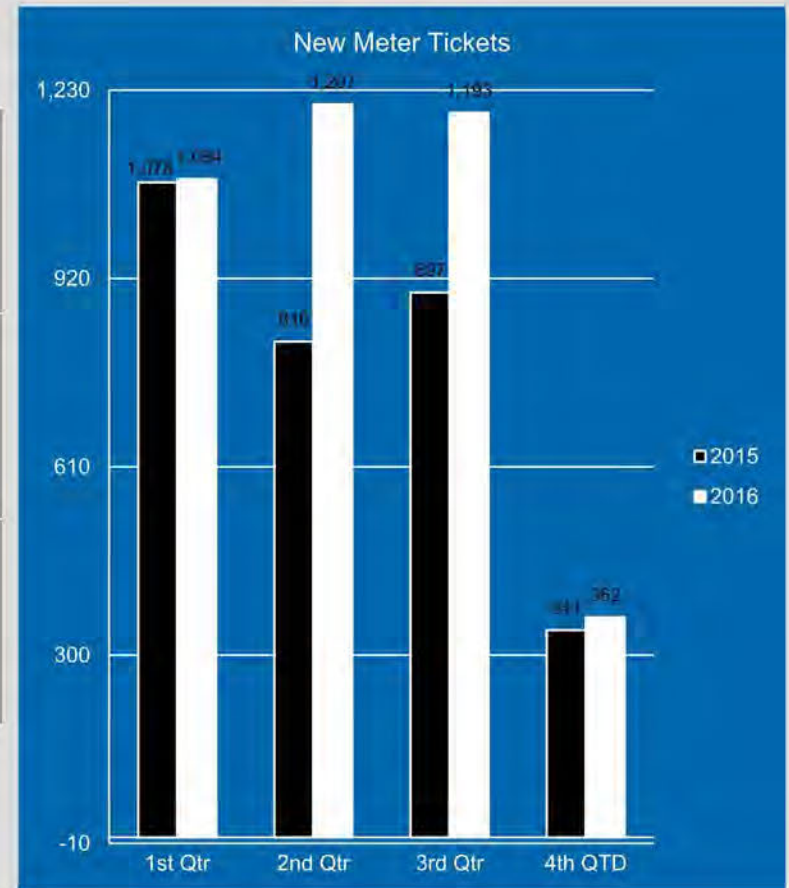
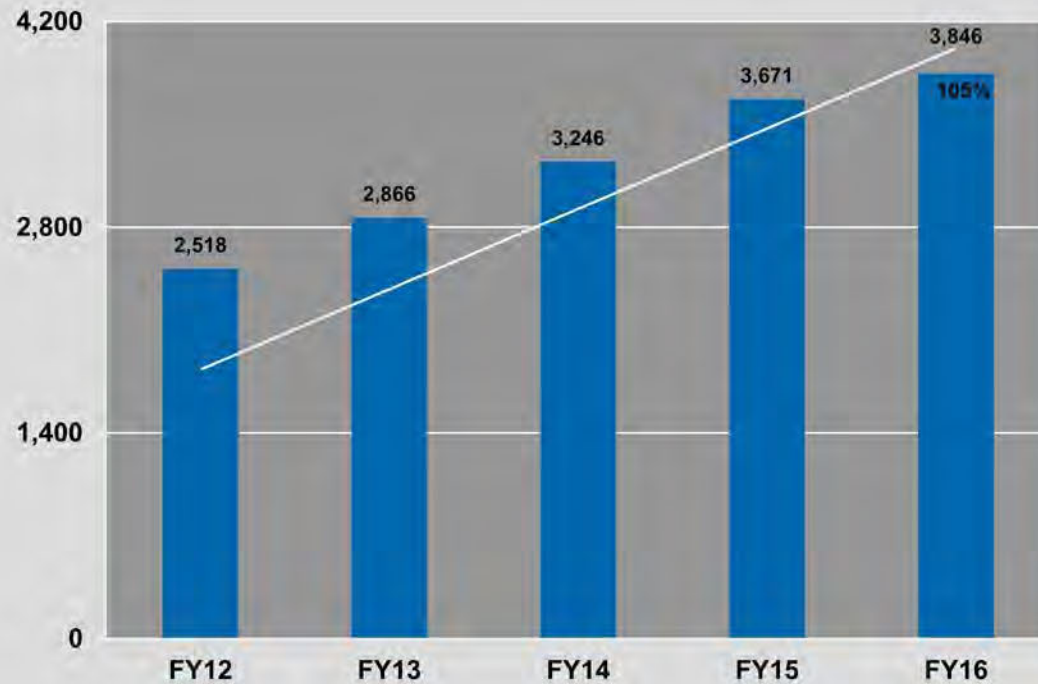
Reduction of 41 gallons per account or 0.7% thru July

# System Development Charge Trends (000s)



# New Meter Ticket Trends

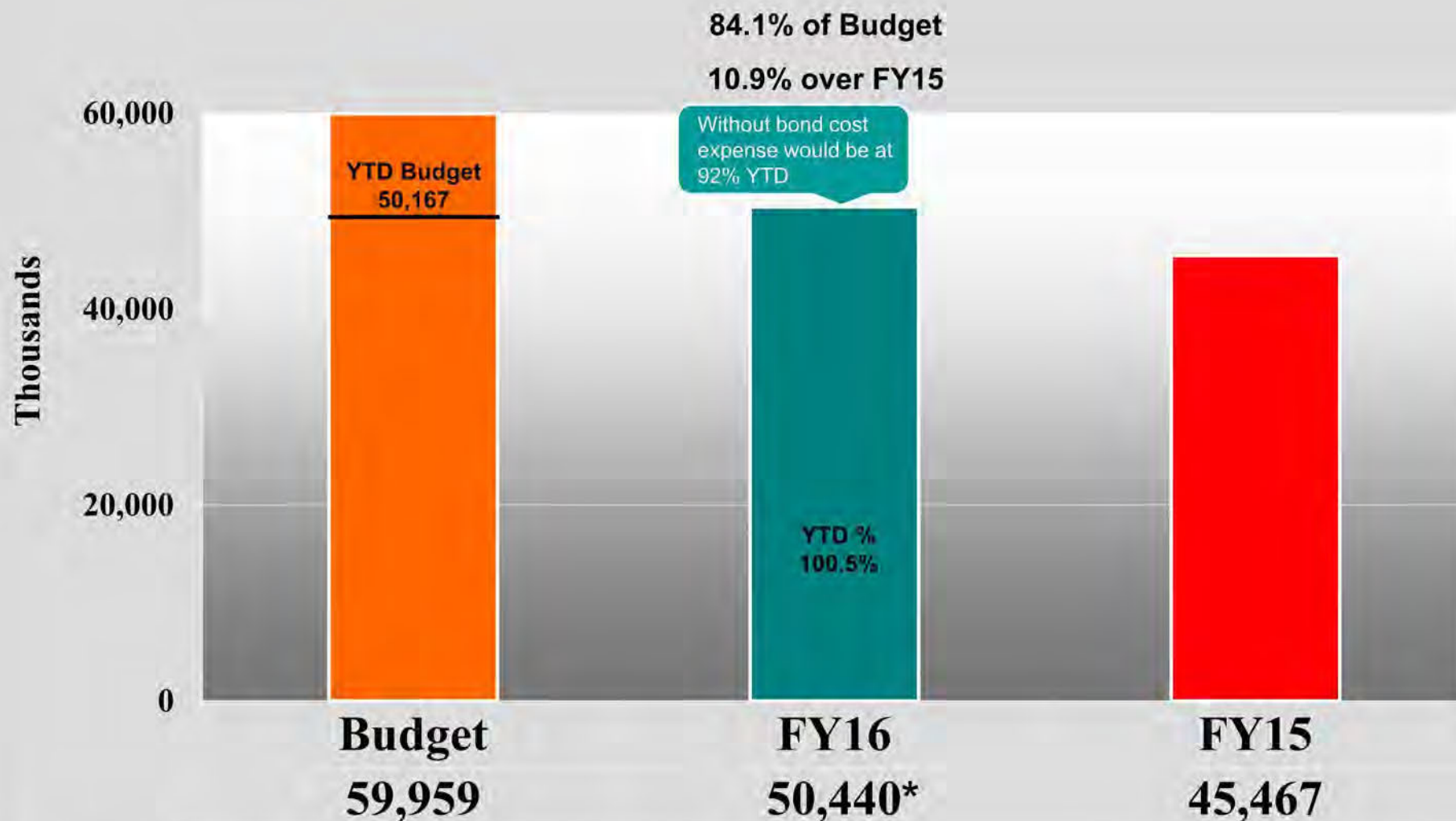
End of Fiscal Year



# **Fiscal Year To Date (FYTD)**

## **Expenses**

# FYTD Expenses Comparison



\*Includes 1.17M in professional services that were bond issue related cost

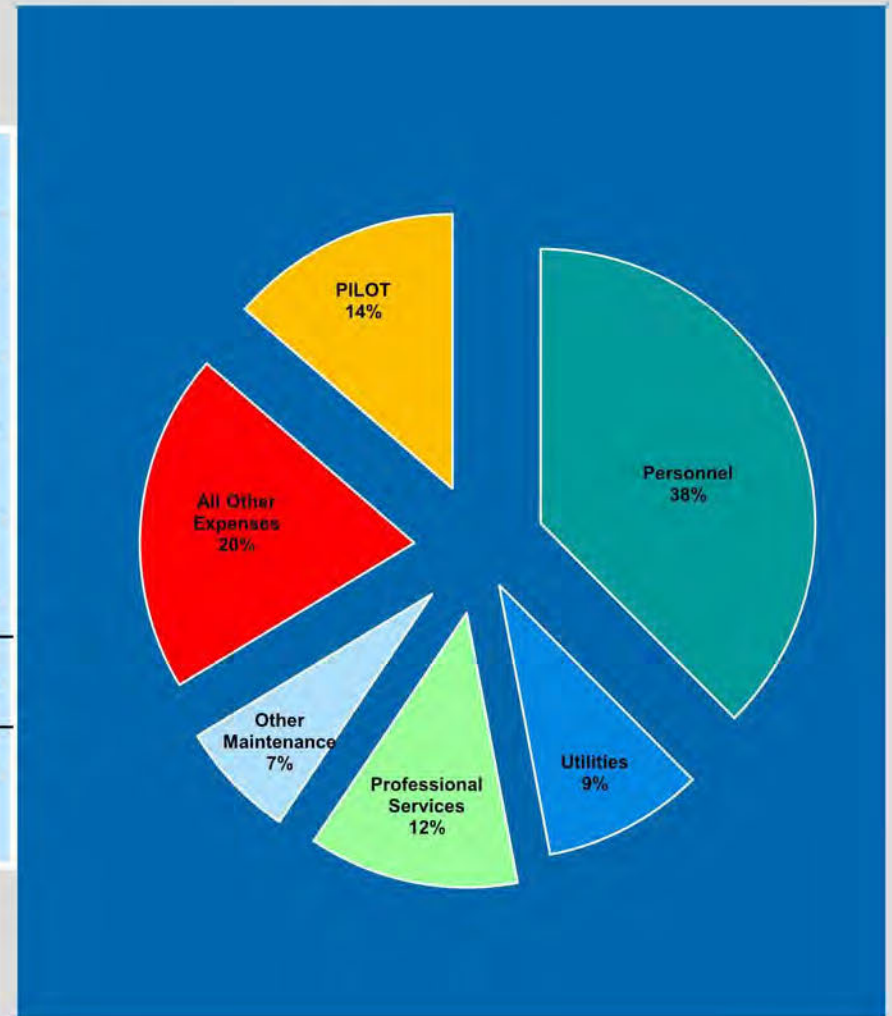


# FYTD Expense Variances

(In 000s)

Expense Item	FYTD Budget	FY16 Actual	FY15 Actual	\$ Change	% Change
Personnel	18,532	18,696	17,432	1,264	7.3%
Professional & Other Services*	5,145	6,308	4,101	2,207	53.8%
Utilities	5,095	4,825	4,922	(97)	(2.0%)
Other Maintenance	4,060	3,530	3,003	527	17.6%
All Other Expenses	10,452	10,132	9,948	184	1.9%
<b>Total Expenses</b>	<b>43,284</b>	<b>43,491</b>	<b>39,406</b>	<b>4,085</b>	<b>10.4%</b>
<b>PILOT</b>	<b>6,883</b>	<b>6,949</b>	<b>6,061</b>	<b>888</b>	<b>14.7%</b>

*\*Includes Bond Issue related cost of 1.2m*

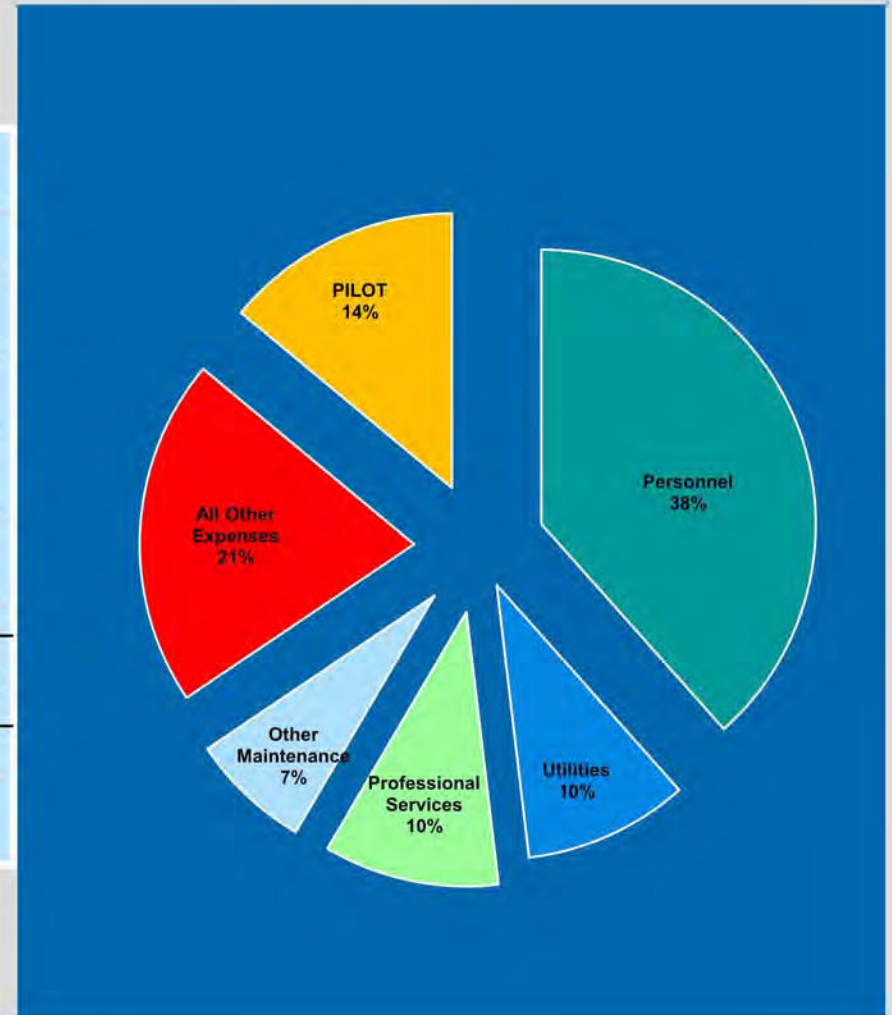


# FYTD Expense Variances

(In 000s)

Expense Item	FYTD Budget	FY16 Actual	FY15 Actual	\$ Change	% Change
Personnel	18,532	18,696	17,432	1,264	7.3%
Professional & Other Services*	5,145	5,138	4,101	1,037	25.3%
Utilities	5,095	4,825	4,922	(97)	(2.0%)
Other Maintenance	4,060	3,530	3,003	527	17.6%
All Other Expenses	10,452	10,132	9,948	184	1.9%
<b>Total Expenses</b>	<b>43,284</b>	<b>42,321</b>	<b>39,406</b>	<b>2,915</b>	<b>7.4%</b>
<b>PILOT</b>	<b>6,883</b>	<b>6,949</b>	<b>6,061</b>	<b>888</b>	<b>14.7%</b>

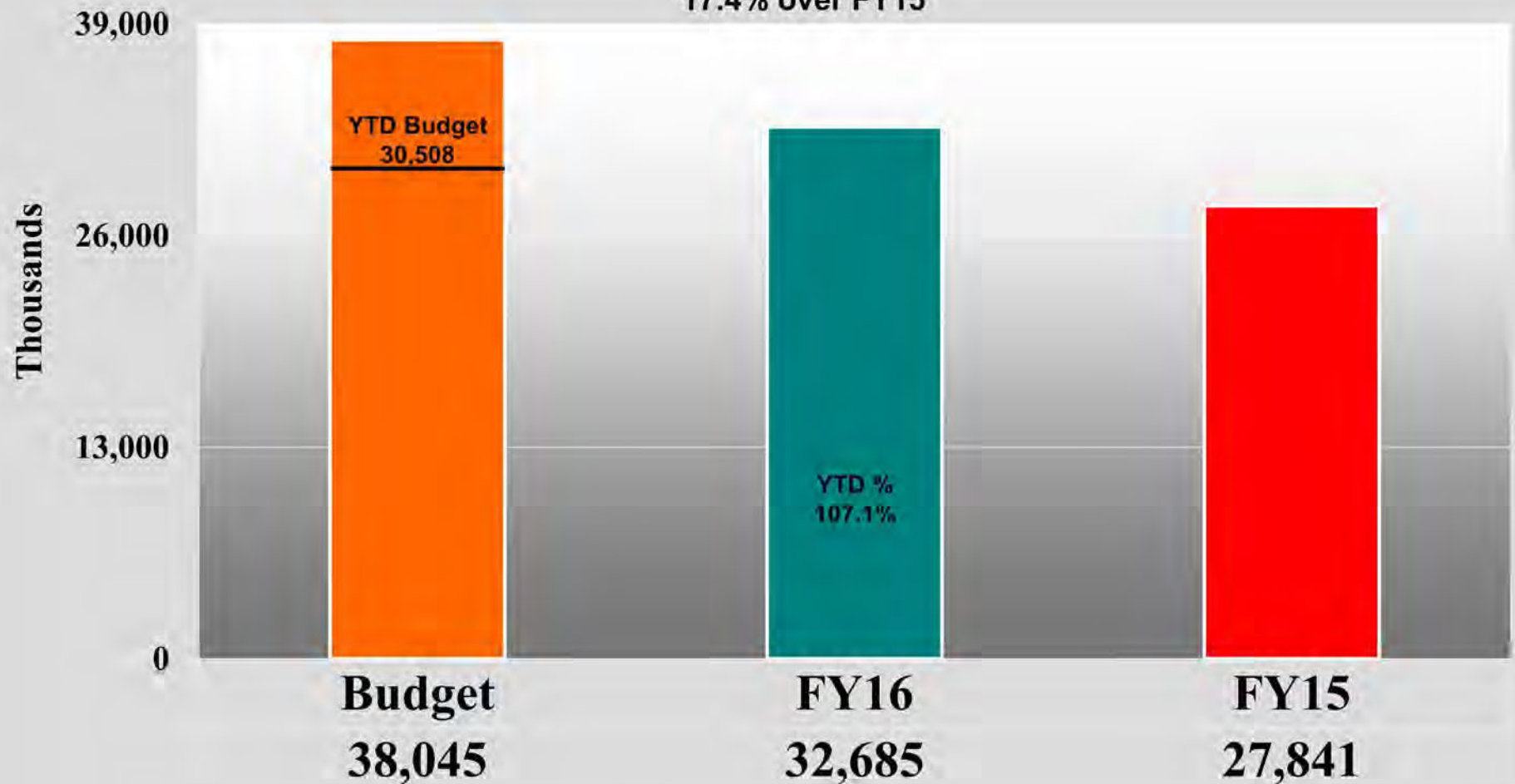
*\*Excluding Bond Issue related cost*



# FYTD Net Revenue Comparison

85.9% of Budget

17.4% over FY15





# PROJECTED COMBINED NET REVENUES & DEBT SERVICE COVERAGE – (\$000's)

[UPDATE – Build up \$50M Reserve by 2020]

	2016 Pro Forma Update			
	Current Budget	YTD Actual	YTD Budget	Difference
Forecasted %age Rate Adjustment	7.5%	7.5%	7.5%	-
Total Gross Revenues	\$98,004	\$83,125	\$80,675	\$2,450
Total Operating Expenses <sup>1</sup>	51,699	43,491	43,284	\$207
Net Operating Revenues	\$46,305	\$39,634	\$37,391	\$2,243
Debt Proceeds	50,000	50,000	50,000	-
Debt Service Requirement	15,477	12,898	12,898	-
Project Debt Service Coverage	2.99x	3.07x	2.90x	0.17x
Net Revenues After Debt Service	30,828	26,737	25,494	\$2,243
Other Required Transfers (PILOT)	8,260	6,949	6,883	\$66
Other Required Transfers (R&R)	14,562	12,135	12,135	-
Operating Budgeted Capital <sup>2,3</sup>	25,896	21,580	21,580	-
Capital Reserve Impact	\$32,110	\$36,073	\$33,896	\$2,177



<sup>1</sup> Includes one time bond issue cost

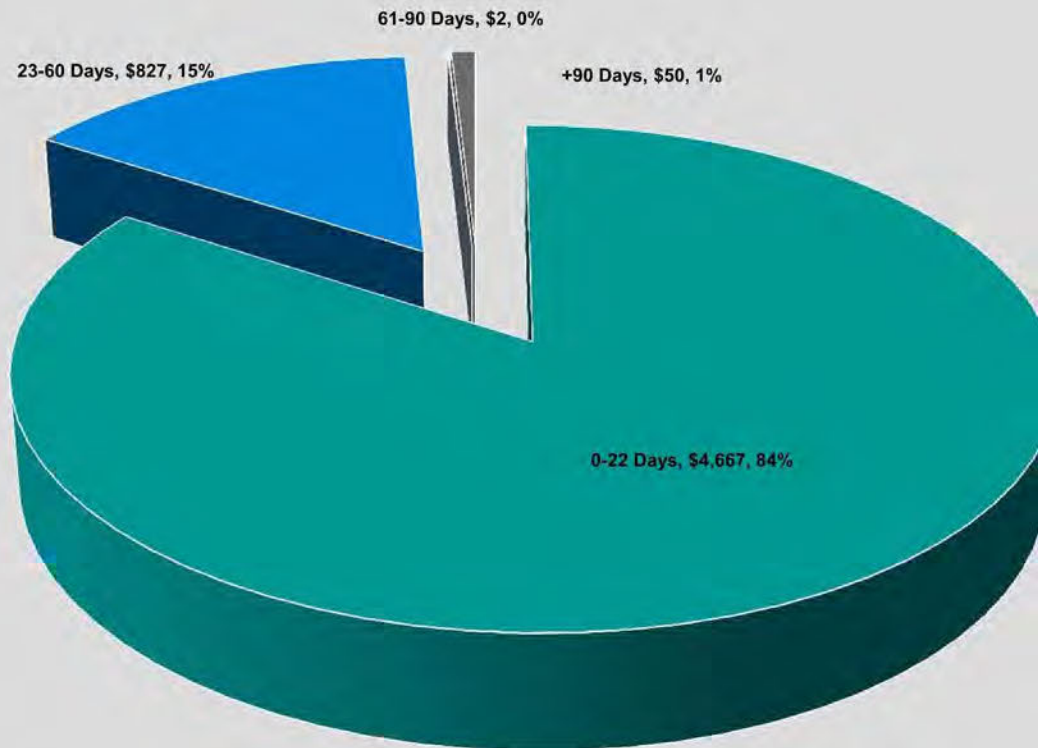
<sup>2</sup> Total budgeted capital less the required R&R transfer listed above, including Bond projects for FY16

<sup>3</sup> Budgeted at a 90% Expenditure Rate

## Other Statistics



## Receivable Aging Breakdown (in 000s)

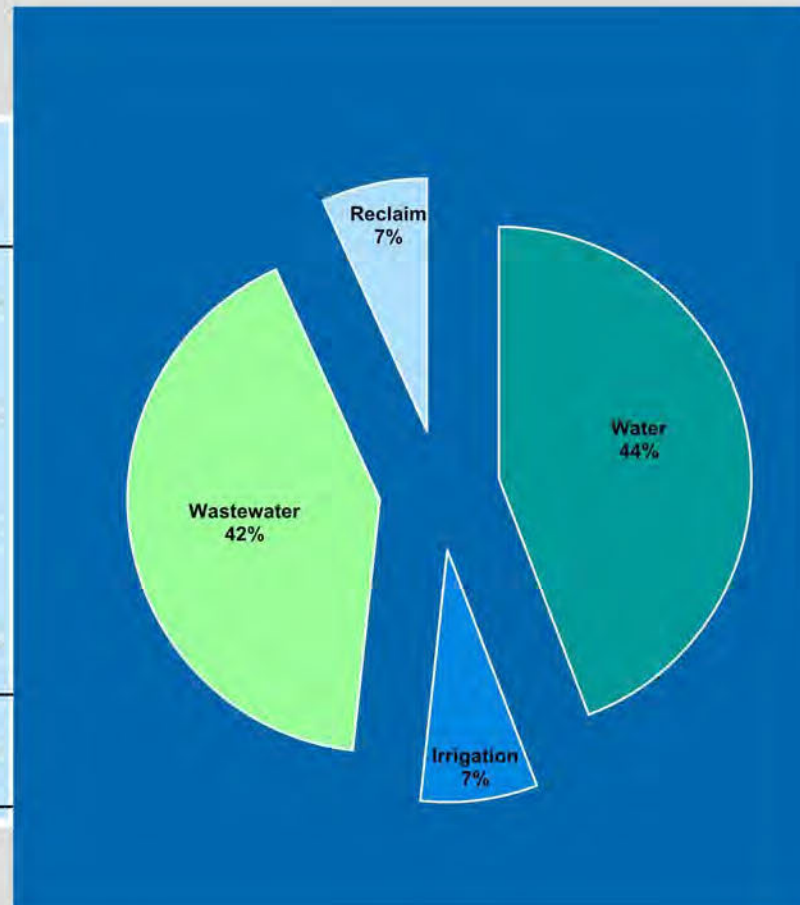


*\*Less outstanding other fees from large contract users*

# Customer Accounts – Billed Services

Services	Thru 07/31/16	Thru 07/31/15	Variance	%
Water	97,781	94,515	3,266	3.5%
Wastewater	91,844	88,006	3,838	4.4%
Irrigation	16,566	16,390	176	1.1%
Reclaim	14,948	13,862	1,086	7.8%
<b>Total</b>	<b>221,139</b>	<b>212,773</b>	<b>8,366</b>	<b>3.9%</b>

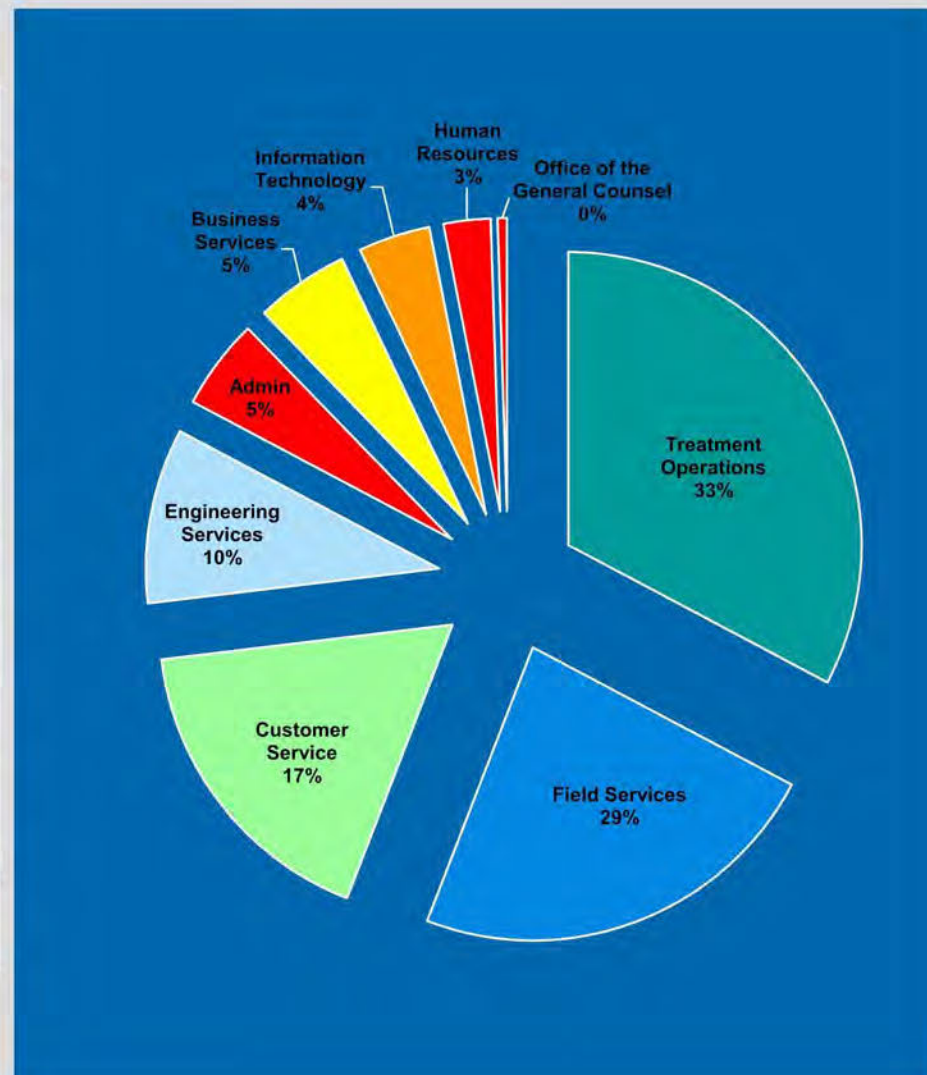
*When combining Irrigation & Reclaim together the overall increase between the two is 4.2%*



# Staffing Summary

*In FTEs*

Division	Budget	Filled	Open	% Open
Treatment Operations	99.0	95.0	4.0	4.0%
Field Services	74.0	67.0	7.0	9.5%
Customer Service	53.0	50.0	3.0	5.7%
Engineering Services	28.5	28.0	0.5	1.8%
Administration	15.5	14.5	1.0	6.5%
Business Services	15.0	15.0	0.0	0.0%
Information Technology	12.5	11.5	1.0	8.0%
Human Resources	7.5	7.5	0.0	0.0%
Office of the General Counsel	1.5	1.5	0.0	0.0%
<b>Total</b>	<b>306.5</b>	<b>290.0</b>	<b>16.5</b>	<b>5.4%</b>





# Monthly Financial Update

For the month ending  
July 31, 2016

Un-audited



**Board Meeting Date:** 9/14/2016

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**Category:** Staff Reports

**Agenda Item:** 11B

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**Department:** Engineering Services

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**Attachments:**

New Engineering Customer Service Surveys

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**Title:**

**ENGINEERING SERVICES CUSTOMER SERVICE REPORT**

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**Summary:**

Engineering Services has contracted with a third party vendor, Telcare Retention Services to perform customer service surveys related to TWA's Private Development processes. Telcare Retention Services was chosen as the third party vendor due to an existing relationship with Customer Service and Field Services.

Telcare is contacting Developers and Engineers after pre-construction meetings with TWA staff and Contractors after the projects are accepted by TWA.

Telcare has completed contacting and surveying respondents for the 6 month period prior to initiation of the surveys in March, 2015. Since the last report in May, Telcare has attempted to survey 54 additional customers and received 5 responses to date. Telcare personnel attempt to contact customers a minimum of three times prior to determining a customer is non-responsive. Staff has observed a drop in the response rate to the surveys and is modifying the survey to include questions that were used by Matrix Consulting in their online surveys to generate renewed interest from developers, engineers and contractors in completing the survey. The revised survey has been provided to Telcare Retention Services and will be implemented moving forward. Staff is notifying customers that new questions will be asked in the survey in preconstruction meetings. Copies of the new surveys have been attached for your review. All new surveys will be completed after project acceptance to capture additional information from the owner and engineer. Staff also plans to perform a follow-up survey similar to the Matrix survey of stakeholders in late 2016 or early 2017 to receive feedback on how recent improvements are being received and to determine any areas that need further attention.

**Survey Comments and Staff Actions**

In the recent responses a contractor noted there could be a little more clarity regarding the closeout inspection. In response to this statement staff has added an additional item in the preconstruction meeting booklet and follow up email reminding all project participants of the final inspection process and all of the steps required to receive a certificate of occupancy (CO) for any building associated with the project.



Another contractor mentioned that initially it didn't appear all the information had been provided to TWA for his project to be completed but upon review all items were provided and the project moved forward in a timely manner. A follow up with the contractor revealed that although the closeout items had been sent to TWA, the Development Project Manager (DPM) had not reviewed the items when project acceptance had been requested. Once the items were reviewed and accepted by staff, the project was finalized and the building inspection were held and the home CO's were released. It was determined that the DPM met the review deadline for all project closeout information provided.

An anonymous response stated that the specifications and details should be called out based on the date of the construction plans and at least three weeks passed before the FDEP clearance applications were received. Unfortunately there is no way to follow up with this customer to further understand his concerns. Staff applies standards and specifications for projects based upon date of original submission. Projects approved or in review prior to standard and specifications updates are grandfathered in and not required to meet revised standards.

Another anonymous respondent stated that due to Toho being in the midst of a specification change the requirements for his project were not clear cut and this affected his rating. The inspection staff has been reminded to base closeout and building criteria on the standards and specifications that were in effect when the plans were submitted and not to impose new requirements on projects that are ongoing when new standards are approved. This information is being emphasized in bi-weekly construction inspection staff meetings since minor standards and specification changes will be submitted for Board consideration in September. If approved by the Board the updated standards and specifications will be scheduled to go into effect on November 1, 2016.

### **Inspection Process Improvement**

Staff has recently met with the Building Departments for Osceola & Polk Counties and the City of Kissimmee to discuss potential changes to the permitting process. During these discussions it was requested to change the way inspection requests are submitted to TWA. Currently the City of Kissimmee and Osceola County receive inspection requests and then send those to TWA. In the new process all municipalities will have the contractor contact TWA directly to request inspections. This process modification was requested by several builders and developers during Engineering's quarterly coordination meetings. Staff has discussed the change with several builders and the response has been positive. This change will also improve staff efficiency and reduce the time necessary to send out the inspection list to each TWA construction

**Category:** Staff Reports

**Agenda Item: 11B**

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inspector. The new process is currently used by TWA in Polk County and results in fewer failed inspections. Several builders who work in both Polk and Osceola Counties requested the new system to improve failure rates and create a more consistent system to request inspections.

### **Coordination Meetings**

Staff has had coordination meetings with several large developers including DR Horton, Mattamy Homes, Encore, Lennar and AV Homes. All meetings were beneficial to TWA and the developers. DR Horton and Lennar representatives were especially pleased with the proposed inspection process improvements. All developers were generally pleased with proposed standard and specification changes. A few even stated they understood the need for future proposed fee increases. Staff is continuing to reach out to several other developers including Cal Atlantic, Pulte, Park Square Homes and KB Homes for future meetings. Staff has also scheduled a meeting with smaller builders and personnel from any of the large developers that wish to attend. They are requested to invite their building superintendents, plumbers and other trades that interact with TWA staff. The agenda will include inspection process improvements, new meter fee payment requirements, new meter setting requirements and voluntary onsite training by TWA staff to help further reduce failure rates. The meeting is scheduled for September 20 at 9:00 am.

### **IT Improvements**

Staff and Osceola County are conducting meetings to incorporate TWA into the County's new plan review and permitting software solution. Osceola County is evaluating a new permitting software solution and is working with a consultant group to create a comprehensive plan review and software solution that has portal access for the public. This new software will provide developers, engineers and contractors' access to track the status of their permit and what is needed (if anything) to receive a certificate of occupancy.

The initial response from Osceola County to incorporate TWA into the process has been very positive and the County sees a definite benefit for the development community. Staff is working with the County staff and the consultant to map out TWA processes evaluate TWA's within the County process. This process will have Osceola County be the point of intake for plans and permits and will require County staff to collect fees for TWA. If this approach is adopted, staff will submit a request to the Board to allow Osceola County to collect fees on behalf of TWA and transfer those funds on a monthly basis to TWA. Staff will provide progress updates at future meetings. Costs for this approach have not been fully discussed but initial discussions suggest that TWA would

**Board Meeting Date:** 9/14/2016

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**Category:** Staff Reports

**Agenda Item: 11B**

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be responsible for the cost of additional licenses and upgrades to staff computers including larger monitors to aid in electronic plan review.

**Customer Service Training**

Finally, the HR Director and her staff have been working diligently to provide high level customer service training throughout TWA. She is currently working to bring an intensive customer service training through the Bonfire group to the Engineering staff. The goal is to coordinate this training with other divisions to minimize costs and is planned for late this calendar year.

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**Total Costs:**

none

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**Recommended Action:**

none

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Initials: RB

## Contractor Survey

1719309: Christopher Griffin - Accent Construction  
7-Eleven Fortune Rd: 150018.em.rh  
Phone: : 706-629-8026

Project Completion Date: 12/23/15  
Survey Date: 3/14/16



### Survey Responses

- 1: Pre-construction Meeting Requested  
1 - Yes
- 2: Meeting Rating  
4 - Very Satisfied
- 3: Meeting Improvements Needed  
100 - Not Applicable
- 4: Received Pre-construction Booklet  
1 - Yes
- 5: Pre-construction Booklet Rating  
0 - No Response: He couldn't answer this question. He didn't receive the booklet; somebody else on his team did.
- 6: Pre-construction Booklet Improvements Needed  
100 - Not Applicable
- 7: Toho Point of Contact  
1 - Contact Name: Richard Haines
- 8: Contact Professionalism and Thoroughness  
5 - Extremely Satisfied
- 9: Contact Response Improvement  
100 - Not Applicable
- 10: Standards and Specifications Rating  
4 - Very Satisfied
- 11: Standards and Specifications Improvements Needed  
100 - Not Applicable
- 12: FDEP Clearance Applications Receipt Timing  
1 - Yes
- 13: Project Completion Letter Receipt Timing  
1 - Yes
- 14: Policy Improvements Needed  
1 - Yes
- 15: Policy Improvements Suggested  
99 - Policy Modifications: The overall experience was good, much better than his experiences with a lot of other agencies he's worked with. There could be a little more clarity regarding the closeout inspection. He's working with an out-of-state contractor, and better clarity would have been more helpful.
- 16: Willingness to Pay Additional  
2 - No
- 17: Additional Comments  
0 - No Response
- 18: Display Name or Anonymous  
1 - Yes - Display Name

## Contractor Survey

1719312: John Donaldson - Jon M. Hall  
Tapestry Parcel 8: 130024.ge.rb  
Phone: : 407-752-4800

Project Completion Date: 2/ 9/16  
Survey Date: 3/11/16



### Survey Responses

- 1: Pre-construction Meeting Requested  
2 - No
- 2: Meeting Rating  
100 - Not Applicable
- 3: Meeting Improvements Needed  
100 - Not Applicable
- 4: Received Pre-construction Booklet  
1 - Yes
- 5: Pre-construction Booklet Rating  
4 - Very Satisfied
- 6: Pre-construction Booklet Improvements Needed  
100 - Not Applicable
- 7: Toho Point of Contact  
1 - Contact Name: Mike Telesek.
- 8: Contact Professionalism and Thoroughness  
4 - Very Satisfied
- 9: Contact Response Improvement  
100 - Not Applicable
- 10: Standards and Specifications Rating  
4 - Very Satisfied
- 11: Standards and Specifications Improvements Needed  
100 - Not Applicable
- 12: FDEP Clearance Applications Receipt Timing  
9 - Don't recall: Somebody else took care of the wastewater clearance applications.
- 13: Project Completion Letter Receipt Timing  
0 - No Response: He didn't see the final checklist. However, for the final inspection, the engineer was very helpful and professional.
- 14: Policy Improvements Needed  
2 - No
- 15: Policy Improvements Suggested  
100 - Not Applicable
- 16: Willingness to Pay Additional  
100 - Not Applicable
- 17: Additional Comments  
99 - Comments: At one point it didn't seem that the engineer had everything he needed. But once the information was reviewed from the documents received previously, he was able to move forward in a timely manner.
- 18: Display Name or Anonymous  
1 - Yes - Display Name



## Contractor Survey



This respondent has chosen to be anonymous.

Survey Date: 3/11/16

### Survey Responses

- 1: Pre-construction Meeting Requested  
1 - Yes
- 2: Meeting Rating  
4 - Very Satisfied
- 3: Meeting Improvements Needed  
100 - Not Applicable
- 4: Received Pre-construction Booklet  
1 - Yes
- 5: Pre-construction Booklet Rating  
4 - Very Satisfied
- 6: Pre-construction Booklet Improvements Needed  
100 - Not Applicable
- 7: Toho Point of Contact  
1 - Contact Name: Justin Sweeney
- 8: Contact Professionalism and Thoroughness  
5 - Extremely Satisfied
- 9: Contact Response Improvement  
100 - Not Applicable
- 10: Standards and Specifications Rating  
3 - Satisfied
- 11: Standards and Specifications Improvements Needed  
99 - Improve Standards and Specs: The specs and dates should be called out based on the date of the plans.  
1 - Not detailed enough
- 12: FDEP Clearance Applications Receipt Timing  
3 - No - Received applications late: At least three weeks passed before the applications were received.
- 13: Project Completion Letter Receipt Timing  
0 - No Response: He doesn't know. The superintendent would have received it.
- 14: Policy Improvements Needed  
2 - No
- 15: Policy Improvements Suggested  
100 - Not Applicable
- 16: Willingness to Pay Additional  
100 - Not Applicable
- 17: Additional Comments  
0 - No Response
- 18: Display Name or Anonymous  
2 - No - Anonymous

## Contractor Survey

This respondent has chosen to be anonymous.

Survey Date: 5/23/16



### Survey Responses

- 1: Pre-construction Meeting Requested  
1 - Yes
- 2: Meeting Rating  
3 - Satisfied
- 3: Meeting Improvements Needed  
99 - Improve Standards and Specs: Since Toho was right in the middle of some spec changes during this meeting, the requirements were not clear cut.  
2 - Not concise  
4 - Poor change notification
- 4: Received Pre-construction Booklet  
1 - Yes
- 5: Pre-construction Booklet Rating  
4 - Very Satisfied
- 6: Pre-construction Booklet Improvements Needed  
100 - Not Applicable
- 7: Toho Point of Contact  
1 - Contact Name: Justin Sweeney.
- 8: Contact Professionalism and Thoroughness  
4 - Very Satisfied
- 9: Contact Response Improvement  
100 - Not Applicable
- 10: Standards and Specifications Rating  
3 - Satisfied
- 11: Standards and Specifications Improvements Needed  
99 - Improve Standards and Specs: Due to Toho being in the midst of spec changes and the requirements not being clear cut, this affected this rating.  
3 - Confusing  
4 - Poor change notification
- 12: FDEP Clearance Applications Receipt Timing  
3 - No - Received applications late: It was approximately 3 weeks later.
- 13: Project Completion Letter Receipt Timing  
0 - No Response: He didn't remember the time frame.
- 14: Policy Improvements Needed  
2 - No
- 15: Policy Improvements Suggested  
100 - Not Applicable
- 16: Willingness to Pay Additional  
100 - Not Applicable
- 17: Additional Comments  
0 - No Response
- 18: Display Name or Anonymous  
2 - No - Anonymous

## Contractor Survey

This respondent has chosen to be anonymous.

Survey Date: 5/23/16



### Survey Responses